

*Certified translation from German to English*

**GERMANTOM**

# BUSINESS PLAN

**Your global store!**  
**For German and European top brands and product launches**

## Executive Summary

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### About GERMANTOM

As cooperation partner of the Epoch Media Group (EMG), one of the world's largest news and entertainment companies with over 300 million Unique Users per month in 35 countries as at April 2017, GERMANTOM (GT) has an exclusive overall advertising budget of some 500 million euros at its disposal until 2026.

The intention is to make the best use of this immense advertising budget and this vast media reach and to monetize it sustainably with various online shops.

This business model differs from the existing models of conventional retail platforms or online shops in that products are not simply listed in GERMANTOM's own online stores, but in this case the products are select premium and new products, actively advertised, rated and sold all over the world by GERMANTOM through the advertising channels of EMG.

As opposed to conventional online shops, at GERMANTOM a manufacturer's product is not only listed as one product among many, but is pushed, promoted and introduced through the media in new or existing markets. Here, GT acts as the primary point of contact for potential buyers, who are able to purchase all of the advertised products from GT as an international retailer.

Using the drop-shipping method, the goods are then sent straight to the customer by the manufacturer or a logistics company. In this case, GERMANTOM takes care of all payment processes. This means that the manufacturer does not have to make any upfront payments, is exposed to practically no cost or payment risks and is usually only required to provide GERMANTOM with a sales warehouse.

GERMANTOM enables manufacturers to win new markets for their products, increase their sales volume and create brand awareness quickly and cost-effectively.

Customers thus benefit from a wide range of premium-only products from a reputable origin, manufactured in top quality and originality.

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UNIQUE

BUSINESS MODEL

## The business model

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### The new player in global eCommerce!

In the past, a manufacturer was able to launch a product on the regional market, create a brand and then expand the market successively by means of a traditional offline retail business. Today, a good product has to be launched and marketed globally to achieve the same success.

The key to global success is eCommerce - both a blessing and a curse for every manufacturer.

A blessing, because a product can be globally marketed and supplied 24/7. A curse, because a product faces global competition 24/7 and the chance of standing out from the rest without costly advertising measures is extremely slight.

In the Internet era, the question of whether or not to use eCommerce at all is moot.

Instead, the question is whether to use eCommerce in direct sales, on retail platforms or - the sensible option - via GERMANTOM.

For own direct sales via its online shop, a manufacturer needs unexcelled brand awareness, manageable competition and an excellent image. Only a few major manufacturers such as Apple, Prada, and Villeroy & Boch manage this.

Manufacturers with less brand awareness and greater competition mainly use retail platforms such as eBay, Amazon & co. These enable them to reach a wider target group, but at the same time prevent them from building their own image, boost competition and attract copycats, who pose a threat to their business.

With GERMANTOM (GT), a new eCommerce model has been created. Unlike eBay or Amazon, GERMANTOM offers product quality rather than quantity to many millions of customers in 35 countries worldwide. GERMANTOM gives manufacturers the opportunity to exploit far-reaching sales markets without having to compete on retail platforms. At GERMANTOM, product manufacturers are put on the market only with a limited number of like-minded competitors. This enables you to not only expand your sales range, but also to build the image and establish the trustworthiness of your product as an actual premium product.



The exclusive partnership between GERMANTOM and Epoch Media Group (EMG) and the unique advertising budget of € 500 million make it possible to market and sell only select products to many millions of customers.

## The business model

### More than just a store

Due to its cooperation with one of the largest media giants, the Epoch Media Group (EMG), GERMANTOM has an annual advertising budget of around € 60 million at its disposal, irrespective of revenue and with no direct advertising costs.

In comparison, the online comparison platform [www.check24.de](http://www.check24.de) only has an annual TV advertising budget of around € 12 million. Overall, GERMANTOM has been awarded an advertising deal with a value of approx. € 500 million for the next eight years.

GERMANTOM's goal is to monetize and multiply the guaranteed advertising budget to the best of its ability. It aims to achieve this through the worldwide marketing of innovative and new products in a globally operating online store with subdivided associated national stores and through media-intensive product advertising with one of the world's most viewed news providers. Additionally, new products will be introduced visually in video format on the news streaming platform NTD TV, whereby we aim to attract up to 120 million viewers per month. Each time a product is marketed successfully, GERMANTOM will be awarded, partly for the exclusive sale of the products, a retail margin of between 25% and 60%. This means that GERMANTOM not only acts as a marketing channel for manufacturers, but also actively supports locally successful businesses with their expansion into other promising markets by taking care of their marketing and sales activities.

GERMANTOM is not only a global online shop, but also a product accelerator specifically for German and European premium products. As an acceleration partner, GERMANTOM offers up-and-coming manufacturers not only global marketing, but also product and market support.



Acceleration options

Worldwide partner network

Product and market support

Effectively targeted marketing



## **GERMANTOM offers unique cooperation opportunities**

### **One example among many possible options:**

You are a leading wine trade group in Europe with a wide range of product groups. LIDL, Aldi and other companies are reducing their margins due to their increasing market power.

The idea of expanding into the booming Asian markets is appealing to you, but the sales and marketing risks are not clearly recognizable or, without the right cooperation partner, impossible for a number of reasons.

Vietnam, with a population of some 93 million, is roughly equivalent in size to the population of Germany although, on average, the predominantly young audience does not have Germany's purchasing power. Nevertheless, Vietnam started importing 20 million bottles of wine in 2016 at an annual snowballing rate.

In 2017, 25 million euros' worth of wine was exported there from Europe alone.

With some 36 million Unique Users per month, DKN.tv a communications medium of the Epoch Media Group, is one of the three major online providers in Vietnam. This means that, according to our research, EMG in Vietnam is almost as strong as the market leaders in Germany, Focus online and BILD.de, together.

GERMANTOM reaches millions of people every day in Vietnam, which makes the following cooperation possible.

## GERMANTOM offers unique cooperation opportunities

1. GERMANTOM opens a specialist wine and spirits online shop in Vietnam and invests € 12 million per year in advertising for the shop and its products without incurring any direct costs thanks to the existing cooperation with EMG. It will therefore take just a few months for GERMANTOM to become the most well-known wine and spirits dealer in the country, particularly due to the fact that no rival company invests or is able to invest in advertising to the same extent.
2. Particularly in view of the fact that GERMANTOM does not possess the relevant goods, the cooperation partner invests € 2.0 million in local warehouse stock, which remains the property of the cooperation partner until it is sold. With every bottle of wine sold by GERMANTOM, the cooperation partner is paid concurrently (purchase price) for each unit sold.
3. According to current market research and based on the effective sales prices in Vietnam, each bottle of wine sold generates a profit of € 2.20 - after deduction of all expenses (import, customs, warehousing, taxes, breakages, logistics, etc.), - which GERMANTOM shares equally with the respective cooperation partner.
4. Thanks to the overall cooperation (wide-scale targeted advertising with the largest selection of wines and spirits in the country) it can be assumed that GERMANTOM will be responsible in the short-term for at least 20 percent of wine sales in Vietnam, especially as hotel and catering businesses are included in the concept.  
In absolute terms, this means that 20% of the sale of 20 million bottles of wine = 4 million units à 2.20 net profit = € 8.8 million profit, of which € 4.4 million go to GERMANTOM and € 4.4 million per annum to the supply partner.

### Comments:

WINE is just one example of how we are currently planning to implement this model with a major wine trade group. Similar business models with other companies and sectors, e.g. drug stores, or the cosmetics or food industries, are also viable in Vietnam and many other countries.

Apart from Vietnam, the sale of wine and spirits is to be expanded with the cooperation partner or other supply partners to also corner the markets in Singapore, Hong Kong and Taiwan.

With a joint population of approx. 144 million, our advertising messages reach some 48 million Unique Users there each month. Almost twice as many people as Focus online and BILD.de have ever reached in Germany!



CORE ASSET

STRONG PARTNERS

## The partners of GERMANTOM



### Strong partners make GERMANTOM unique and you a success

GERMANTOM is the exclusive cooperation partner of the Epoch Media Group (EMG), one of the leading news providers worldwide with millions of readers and viewers in 35 countries\*.

As the exclusive partner of EMG, GERMANTOM has an overall budget of approx. € 500 million at its disposal until 2026, which can be used individually on EMG's news portals. GERMANTOM does not incur any costs for this immense advertising budget with EMG. EMG still has a major interest in GERMANTOM's growth and promotes its global expansion, as EMG is entitled to 50% of GERMANTOM's profit in the next eight years. For this reason, EMG makes all current advertising and sales channels available to GERMANTOM without any direct costs.



Products are advertised, for example, through online banners on the respective websites of the associated EMG news companies, moving ads in EMG video portals, press articles published by EMG and the corporate group's social media activities.

Thanks to this media reach, GERMANTOM is able to increase the brand awareness of a product worldwide in a very short time, boost a product's global image with press articles and ensure the long-term sale of a product.

Unlike conventional retail platforms, GERMANTOM's focus is not on marketing a wide range of product categories with an even higher number of manufacturers, but limits itself to a manageable number of SKUs, creates quality and markets these products actively with intensive targeted advertising campaigns.

Our goal is to establish market-leading national online shops for exclusive premium products by 2021 and to be the point of contact for new products and market expansions.

*\* EMG homepage date 2017*

## The partners of GERMANTOM



### The partners of GERMANTOM - The Epoch Media Group

The New York-based Epoch Media Group is a globally operating news and entertainment company with uniquely positioned TV, print and social media assets. On Facebook alone, they have gained more followers since 2015 than the New York Times, Fox News and CBS News. (News whip - <https://www.newswhip.com/2017/10/engaged-audiences>)

The two major parts of the corporate group are formed by:



NTD – a New York-based, globally operating news and entertainment company, which was established in 2001 and is one of the 10 largest digital news and entertainment companies. Since January 2017, NTD has generated over 60 million Facebook fans and registers over 3.9 billion video clicks per month. (<http://www.ntd.tv/about>).



The Epoch Times is a private news company represented throughout the world in 21 languages, 35 countries and on 5 continents. It offers print and web editions in Chinese, English, German, French, Spanish, Hebrew, Russian, Japanese, Korean and many other languages. Its print run makes the Epoch Times one of the major online newspapers worldwide, larger than Forbes Magazine, Bild, Spiegel, The Sun or even CBS News.

Both halves of the company are represented in many countries, sometimes in different languages and with local media adaptations. The Epoch Times enterprises generally stand for print and online news content. The activities of NTD and its state-owned subcompanies concentrate mainly on video and social media content. Below, please find an overview of the most important EMG companies.



All of these partners are part of the Epoch Media Group's global media network. Although some parts of this network are independent companies with headquarters in a number of countries, they are subject to the instructions and guidelines of the Epoch Media Group New York, NY, USA. GT's advertising deal allows advertising budgets to be used up with all these companies every day.

TWENTY/4/SEVEN



MARKETING AND DISTRIBUTION



## Marketing and distribution

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### Marketing

Besides the technical infrastructure, a global network of sales and retail partners, the enormous advertising budget of approx. € 500,000,000 until 2026 is predominantly GERMANTOM's core asset.

Marketing channels are 99% digital and are operated through the Epoch Media Group's far-reaching advertising network.

GERMANTOM, as an independent brand and name, will be represented on all of EMG's relevant advertising channels and will appear in the print, online and video messages of the individual subcompanies of EMG.

It is also possible for GERMANTOM to generate targeted media interest for individual products or product groups in individual markets or even globally. For this purpose, GERMANTOM makes use of the "influencer" options available to EMG companies in the form of press articles, product placement, presentation on social media channels such as Facebook, YouTube and others.

This means that, without actively advertising the products, the EMG media will write or talk about the products, or showcase them as having that special "wow" factor in video sequences. The aim is to suggest to the potential customer that a brand new product is actually a long-established must-have in order to make them more willing to buy it.

The listed product can be advertised and marketed either by individual agreement in specific markets or worldwide together with the GERMANTOM brand name. The manufacturer can decide which markets are to be targeted and cornered by GERMANTOM and, in exchange, guarantees immediate shipping of the goods upon receipt of payment by GERMANTOM.

FMCGs (fast moving consumer goods), perishables, can be optionally stored in warehouses provided by GERMANTOM in various countries. Particularly in Asian countries, the advantage of this is that customs and import requirements are handled by GERMANTOM, customers receive the goods within a very short time, and goods don't spoil or get damaged in transit, which can all optimize postage and shipping costs.

## Marketing and distribution



### The 4 P s – The marketing mix

#### **Product:**

- ✓ GERMANTOM is a premium store.
- ✓ Cheap items as with eBay & co. are not offered.
- ✓ GERMANTOM operates globally. German products, for example, are distributed worldwide.
- ✓ GERMANTOM pushes products onto new markets.
- ✓ GERMANTOM accelerates the product launch onto new markets.
- ✓ GERMANTOM supports manufacturers by taking care of the marketing and sales activities.

#### **Pricing:**

- ✓ GERMANTOM has negligible marketing costs for listed products.
- ✓ All listed products are premium products in a premium segment.
- ✓ GERMANTOM would also like premium prices for these products.
- ✓ GERMANTOM is not a discounter. Products are offered at fair prices, not dumping prices.

#### **Placing:**

- ✓ The future is eCommerce - GERMANTOM is the future. All listed products are distributed online only.
- ✓ GERMANTOM has no offline stores and is not involved in in-store concepts.
- ✓ In the acceleration program, some products can be supported above and beyond online sales.
- ✓ Products can be viewed and purchased online at [www.germantom.com](http://www.germantom.com). Shipment takes place indirectly through the manufacturer (drop-shipping principle) or by way of mutually agreed national shipping and logistics companies.
- ✓ However: In some markets, GERMANTOM occasionally distributes specific products, such as perishables, via its own warehouses and forwarders.

#### **Promotion:**

- ✓ GERMANTOM relies on strong corporate identity and brand awareness.
- ✓ However, GERMANTOM still engages in mass communication on a local, global and digital level.
- ✓ GERMANTOM would like to be known to the general public as the quintessential "store for premium products", guaranteeing manufacturers premium customers, particularly abroad, and even boosting the image as a premium product/brand.

## Marketing and distribution

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### Logistics

GERMANTOM's business model is based predominantly on the drop-shipping method.

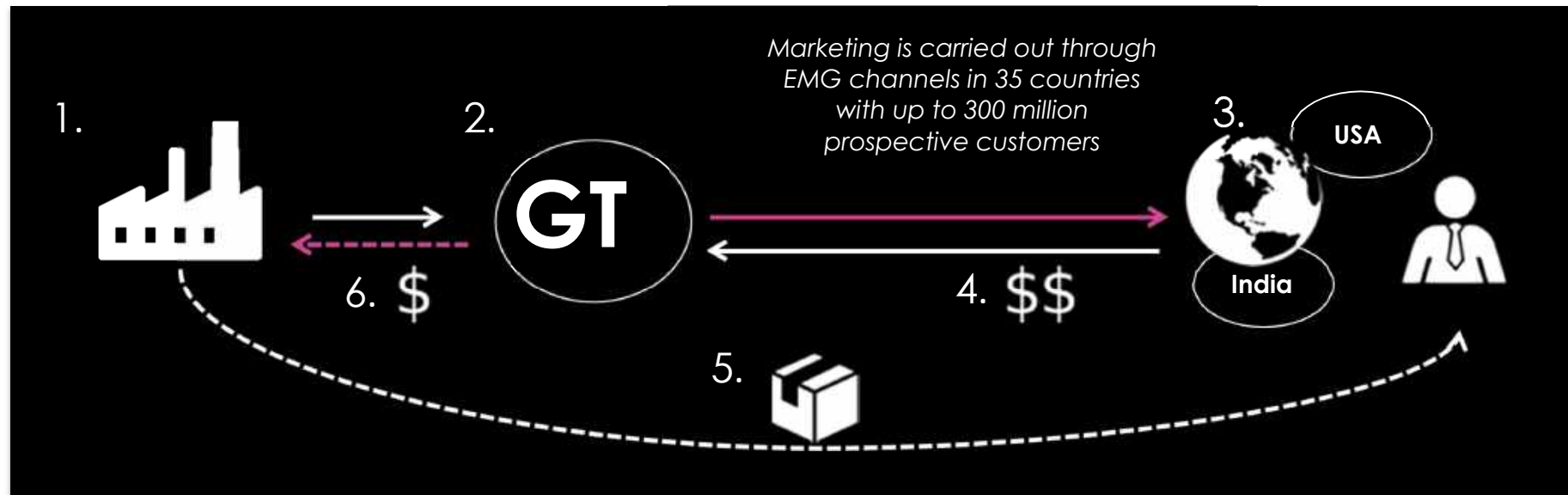
While GERMANTOM operates as the distributor of the goods, and manages payment and invoicing procedures, the goods are sent directly from the manufacturer or a designated logistics company to the customer. GERMANTOM procures the goods from the supplier at the very same moment the customer purchases the goods from GERMANTOM. The supplier then immediately sends the goods to the customer in the name of and on behalf of GERMANTOM.

The benefits of this system are that GERMANTOM doesn't need to tie up as much capital in warehouse stock, can max out the payment terms and, in most cases, is not responsible for the logistics.

The supplier benefits through an increase in sales while saving substantial costs. The customer benefits by receiving goods from their "original" source.

#### **Note:**

- ✓ For perishables or express-delivery goods, GERMANTOM contracts service providers - in various markets and as an optional extra - to provide warehouses, which are managed by the provider or GERMANTOM, whereby the goods are usually provided by the suppliers from their depot. With other suppliers, manufacturers can effectively store goods in national depots. The goods are then shipped directly via GERMANTOM or the country manager of GERMANTOM.
- ✓ In the acceleration program, manufacturers have access to GERMANTOM's global partner network. On a case-by-case basis, partners support manufacturers with their local marketing in the respective markets, both on- and offline.

**Logistics – The drop-shipping method**

1. A manufacturer wants to find new sales markets. It offers GERMANTOM products for listing.
2. GERMANTOM checks if this product meets quality standards. GERMANTOM lists it in the store, markets it via the EMG channels to millions of people in up 35 countries.
3. A customer notices the product and buys it from GERMANTOM.
4. GERMANTOM issues the invoice in its own name. GERMANTOM receives payment from the customer.
5. The manufacturer sends the goods directly to the customer or has them sent from a handling and distribution warehouse.
6. GERMANTOM forwards the payment minus the retail margin (purchase price) to the manufacturer.



GLOBAL | LOCAL | DIGITAL



The market & GT's strength

## The market and GERMANTOM's strength

### The new player in global eCommerce!

Interactive trading - projection  
Volume: 2015 vs. 2016



Umrechnungen in Mio. Euro nach Umrechnungs- und GMP-Faktor. Abweichungen von Gesamtsumme: Rundungsfehler; prozentuale Veränderungen auf Basis angrenzender Werte berechnet.

Goods in eCommerce - projection  
Volume according to provider type: 2015 vs. 2016



Umrechnungen in Mio. Euro nach Umrechnungs- und GMP-Faktor. Abweichungen von Gesamtsumme: Rundungsfehler.

With worldwide growth of over 400% within the last 5 years, Internet trading has become one of the world's most significant economic sectors.

While pioneers such as Amazon, eBay and Alibaba have become global distributors and brokers of products of all types, price and quality, the market is subject to constant change ranging from mass suppliers to product-category specialists such as Zalando, Amorelie, Notebooksbilliger and Rebelle. Although such category specialists partly offer the same products as the 10 major international retail platforms, category specialists outperform the 10 major retail platforms in their respective markets with an average growth rate in excess of 400%.

Reasons for this are better processing of sales by the provider, payment security, the sole availability of products that have been tested and certified, higher quality standards, lack of counterfeit products, absence of copycats, more appealing design, image and, last but not least, trustworthiness of both the retailer and the product manufacturer. GERMANTOM combines the advantages of category specialists with those of mass suppliers. In future, top premium products from all categories that meet the quality and performance standard of individual local category specialists can be offered and purchased worldwide.

This is possible due to our unique business model in cooperation with one of the world's largest media giants, the Epoch Media Group. Today, we already reach many millions of individual customers (Unique Users) in up to 35 countries worldwide in the prelaunch phase and have an advertising budget of more than € 500,000,000 at our free disposal, which we can use to address these Unique Users for self-marketing or for global product launches by suppliers.

## The market

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### The advantage of online trading

#### For customers

- ✓ Wide range of products and direct access to alternatives
- ✓ eCommerce is possible anywhere at any time
- ✓ eCommerce does not adhere to any opening times
- ✓ Orders for "embarrassing" products can be placed anonymously
- ✓ Prices can be directly compared
- ✓ Independent product reviews can be found quickly
- ✓ The purchase process is quicker (no searching for a parking spot)
- ✓ Products that are not locally available can be found online but not offline
- ✓ Online products are mostly cheaper than offline products
- ✓ Customers do not have to carry or transport the products themselves

#### For manufacturers

- ✓ Saves exhibition space
- ✓ Saves exhibition space
- ✓ Trading possible 24 hours a day
- ✓ Saves expensive sales staff and presentation costs
- ✓ Cut-the-middle-man strategies are possible
- ✓ The competition forces a manufacturer to get involved in eCommerce
- ✓ More customers and potential customers can be addressed
- ✓ Target groups can be precisely defined
- ✓ Long-term customer contact
- ✓ Customer behavior can be analyzed



## The market

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### Market opportunities and risks

A realistic example:

A manufacturer develops a cosmetic cream that shows unique results in treating irritated skin. The customers are delighted. Similar products have not yet been developed by the competition. The manufacturer can't patent the product, but can only protect the product name. The manufacturer now has to market the product as quickly as possible to make the most of its first-mover advantage before the financially-sound competition drives the developed product out of the market. All sales channels must be used quickly and effectively.

However, the cost of marketing would pose an obstacle to the manufacturer. The manufacturer would have to invest heavily in brand building and distribution before it can achieve any success or generate its first sales. In the worst case, initial success would spark direct competition and before the manufacturer even reaches the break-even point, it would already have been cut out of the market.

As Amazon has enabled products to be sold to millions of customers, the cosmetics manufacturer chose Amazon as the first distribution channel. The sales figures rose dramatically although it was only one among thousands of cosmetic suppliers. Via Amazon, the manufacturer managed to generate sales of € 150,000.00 in the first year. In the second year, this figure even rose to € 500,000. In the third year, sales dropped to € 300,000.00.

The reason for the drop in sales was that other cosmetics manufacturers started engaging in direct competition. The manufacturer had the choice of either investing heavily in marketing, expanding sales channels to address markets other than the German market or to give way to the competition. In light of the financial risk, the manufacturer decided not to pursue any new sales channels, but merely to expand its range of products.

With GERMANTOM as partner, the manufacturer would not have been exposed to any in-platform competition. On the contrary, GERMANTOM would even have helped the manufacturer grow as it would have been advertised excessively, its products would have been mentioned in press articles across the globe, and the manufacturer could have directly tapped other markets in 35 countries and strengthened its brand. The manufacturer could also have generated brand awareness among up to 300 million people.

Although Amazon reaches millions of people, a similar success there would have been unlikely as the manufacturer would only have appeared in a specific category and only in its own country as one of many cosmetics suppliers.



WE ARE READY



THE COMPETITION

## The competition

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### **One out of a million, yet still totally different**

Unlike the 10 major globally operating online shops, GERMANTOM targets the respective markets by offering not merely a massive range of products, but high-quality products and absolutely new products of which there are only a few in your respective product category.

In comparison to AMAZON or ALIBABA, where many similar products from a wide range of retailers for a single manufacturer are in strong competition with each other, and both the price and image curves flatten out, GERMANTOM offers manufacturers from Europe entry to US or Asian markets, for example, at low cost.

The manufacturer doesn't need its own online shop, doesn't have to invest heavily in marketing, can keep its prices and image stable without any in-platform competition and profits additionally from GERMANTOM's partner and distribution network.

If a Unique User finds out about an exclusive item of a manufacturer (thanks to the efforts and advertising campaigns of GERMANTOM) which is (only partly) sold on GERMANTOM and searches for this item in the online store, they will find the item among a few products of similar value and similar exclusivity from other manufacturers that are listed with GERMANTOM.

When searching for, for example, a luxury brand-name handbag, this prevents such items being offered beside and being compared with fakes/copies or no-name products. For the customer, this means a more exclusive shopping experience, and, for the seller, protection of the product's reputation in an exclusive environment and less competition within the respective product category.

GERMANTOM gives new products in particular the opportunity to expand their market quickly and at no cost. Manufacturers of new products can also dramatically boost their brand image with GERMANTOM due to being listed with established high-end brands.

## The competition

### The competition against which we measure ourselves

When analyzing the competition, the fact that GERMANTOM's business model is unique and not yet available in this form in eCommerce must be taken into account.

eCommerce is basically swamped with competition and the number of rivals with whom GT would like to compete in the individual markets wouldn't fit on this paper. Nevertheless, a few companies are listed below against whom GT would like to measure itself in terms of success:

#### Globally operating:



Established: 1995  
Headquarters: USA  
Revenue: US\$8.8billion  
Employees: 11,600



Established: 1999  
Headquarters: China  
Revenue: US\$22.99billion  
Employees: 50,000



Established: 1994  
Headquarters: USA  
Revenue: US\$177.99billion  
Employees: 566,000

#### Only operating in Europe, specifically in Germany:



Established: 2011  
Headquarters: Germany  
Revenue: €219million  
Employees: 1,500



Established: 1949  
Headquarters: Germany  
Revenue: €12.5billion  
Employees: 49,900



Established: 2008  
Headquarters: Germany  
Revenue: €3.64billion  
Employees: 13,218

## The competition

### Position of the competition

|  | eBay                                  | Amazon                                       | Otto                               | Zalando                            | Westwing                          | GERMANTOM                                       |
|--|---------------------------------------|--|------------------------------------|------------------------------------|-----------------------------------|---|
| <b>Internationally operating</b>                       | Yes                                   | Yes  | to a limited extent                | No                                 | no                                | yes   |
| <b>Primarily offers specific product categories</b>    | No                                    | No   | no                                 | Yes                                | Yes                               | No  |
| <b>Drop-shipping</b>                                   | Yes                                   | Yes/no                                       | Yes                                | No                                 | Yes                               | Yes   |
| <b>Product quality</b>                                 | Cheap-premium                         | Cheap-premium                                | Cheap-premium                      | Mainly premium                     | Premium only                      | Premium only                                    |
| <b># products in category</b>                          | Very high                             | Very high                                    | High                               | High                               | low                               | low   |
| <b>Active product advertising</b>                      | No                                    | No   | Yes                                | No                                 | partly                            | Yes   |
| <b>Marketing support</b>                               | No                                    | No   | Yes                                | No                                 | yes                               | Yes   |
| <b>Own warehouse and dispatch centers</b>              | No                                    | Yes  | Yes                                | Yes                                | yes                               | To a limited extent                             |
| <b>Copcats present</b>                                 | Yes                                   | Yes  | No                                 | No                                 | No                                | No  |
| <b>Marketer is familiar with products</b>              | Yes                                   | Yes  | to a limited extent                | No                                 | no                                | yes   |
| <b>Premium and cheap products in the same category</b> | Yes                                   | Yes  | Yes                                | Yes                                | No                                | No  |
| <b>Image improvement through the platform</b>          | No                                    | No   | No                                 | No                                 | Yes                               | Yes   |
| <b>Listing fees</b>                                    | Yes                                   | Yes  | Partly                             | Partly                             | No                                | No  |
| <b>Offline stores exist</b>                            | No                                    | No   | No                                 | No                                 | Yes                               | No  |
| <b>Advantage of the platform</b>                       | Everything can be offered. Wide reach | Similar to eBay. Better image. Fast shipping | Wide reach. Good image. Top prices | Wide reach. Good image. Top prices | Wide reach. Top image. Top prices | Wide reach. Top image. Top prices International |



## The competition

|                                      |   |   |   |   |   |                                 |
|--------------------------------------|---|---|---|---|---|---------------------------------|
| <b>Disadvantages of the platform</b> | Copycats, strong competition, loss of image | Copycats, strong competition, loss of image | Small margin, small platform, only in Germany | Small margin, small platform, only in Germany | Small margin, small platform, only in Germany | Brand awareness still quite low |
|--------------------------------------|---|---|---|---|---|---------------------------------|

## The competition

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### **GERMANTOM's competitive advantage**

In eCommerce, the biggest difference between the platforms lies in whether or not they are multinational platforms or have preferential category-specific products.

eBay, for example, operates on the global market and has an enormous repertoire of all sorts of products. The same goes for Amazon.

Otto also has an extremely large repertoire. However, this is not as massive as Amazon or eBay. Their prices, which are usually extremely competitive, stand out more. Otto is not represented on a multinational level.

Zalando adheres to one specific product category - clothing. Marketing is limited to Germany, Austria and Switzerland.

GERMANTOM is a mixture of the advantages of various platform factors.

1. Products are advertised worldwide
2. GERMANTOM is not a category specialist
3. There are a limited number of products in each category.
4. All products are premium
5. Product prices range between competitive and fair

The mixture allows GERMANTOM to combine the advantages of the individual platforms and to eliminate the disadvantages as much as possible. Our goal is to be on an equal footing with the 10 major online stores by 2022.

Opportunity & risks

SWOT analysis

## SWOT analysis

## Status quo

**Strengths:****S**

- Wide media reach
- Low capital requirement
- Strong partners
- Unique business model
- Globally operating
- Not easy to copy

**Weaknesses:****W**

- Stiff competition
- Low brand awareness
- Requires great effort

**Opportunities:****O**

- Massive market
- Massive growth
- Massive sales

**Risks:****T**

- eBay, Amazon & co. copy GT's business model
- Customs and trade barriers
- Not enough listings
- Fraud with regard to goods or payment by customers or suppliers



ALL THAT COUNTS



FINANCIALS

## Financials

### Financial planning and earnings expectations

Foreword:

GERMANTOM holds extensive free advertising rights worth millions with the Epoch Media Group. These advertising rights make it possible for GERMANTOM to reach millions of people worldwide digitally. The Epoch Media Group receives 50% of the EBIT generated by GERMANTOM through its activities.

As the Epoch Media Group has a number of digital media in various countries and different user rates in each country, GERMANTOM focuses initially on the strongest media channels for the major markets. For GERMANTOM, EMG's largest and most influential advertising channels are:

Approx. 113 million digital audience:

1. NTD
2. DJY
3. EET
4. E-NTD
5. Vietnamese ET
6. La Gran Epoca
7. Die Neue Epoche
8. ET France

Approx. 112 million Facebook followers:

1. NTD Television
2. NTD Live
3. NTD Inspired
4. NTD News
5. Taste Life
6. Epoch Times
7. Beauty within
8. +9 further channels

Approx. 102 million TV potential viewers:

1. The Epoch Times
2. NTDTV

With the launch of GT on June 15, 2018, it will initially enter the German, French, Spanish and UK markets with the categories cosmetics, watches, jewelry and china.

In the further course, at least one product category is to follow every two months. The markets for product categories are to be expanded every three months.

Please take into account that financial planning and earnings expectations are based on projections and estimates. Despite ideal conditions, setbacks that were initially unforeseen may be encountered during the launch phase. All numbers and data have been drawn up to the best of our knowledge and ability.

## Financials



## Overview of EMG's global media range per month

The following table shows EMG's world largest media networks in the digital audience sector and their Unique Users in the most important countries. Other media networks are available within EMG, but these are limited to specific markets that are not yet taken into account. GT relies initially on the 113.3 million listed Unique Users for a professional launch. A further 112 million informed Facebook followers complete the advertising network for GERMANTOM. The table forms the conservative basis for the financial and earnings strategies.

| Medium               | NTD              |                  | DJY               |                   | EET               |                   | E-NTD             |                   | Country Medium*   |                    | Total amount       |                    |                      |              |
|----------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|--------------------|--------------------|----------------------|--------------|
|                      | Uniques          | Views            | Uniques           | Views             | Uniques           | Views             | Uniques           | Views             | Uniques           | Views              | Uniques            | Views              | Inhabitants          | Reach        |
| <b>North America</b> |                  |                  |                   |                   |                   |                   |                   |                   |                   |                    |                    |                    |                      |              |
| USA                  | 1,411,665        | 5,041,630        | 2,022,023         | 8,285,018         | 12,842,711        | 27,270,761        | 10,887,325        | 23,760,086        | 0                 | 0                  | 27,163,724         | 64,357,495         | 325,000,000          | 8.36%        |
| Canada               | 37,642           | 392,723          | 191,268           | 1,099,350         | 1,540,160         | 3,240,599         | 1,747,093         | 3,846,564         | 0                 | 0                  | 3,516,163          | 8,579,236          | 36,290,000           | 9.69%        |
| <b>Asia</b>          |                  |                  |                   |                   |                   |                   |                   |                   |                   |                    |                    |                    |                      |              |
| Taiwan               | 447,721          | 1,257,687        | 7,277,786         | 21,252,897        | 50,737            | 101,326           | 53,962            | 167,136           | 0                 | 0                  | 7,830,206          | 22,779,046         | 23,550,000           | 33.25%       |
| Hong Kong            | 102,617          | 439,841          | 1,114,641         | 3,424,046         | 219,105           | 56,696            | 207,703           | 630,903           | 0                 | 0                  | 1,644,066          | 4,551,486          | 7,347,000            | 22.38%       |
| Macau                | 7,557            | 37,828           | 97,154            | 285,665           | 24,287            | 61,198            | 26,743            | 83,287            | 0                 | 0                  | 155,741            | 467,978            | 612,167              | 25.44%       |
| Japan                | 41,227           | 29,465           | 206,181           | 853,932           | 174,409           | 37,086            | 127,832           | 29,988            | 0                 | 0                  | 549,649            | 950,471            | 127,000,000          | 0.43%        |
| South Korea          | 9,821            | 74,678           | 33,328            | 16,875            | 23,316            | 49,109            | 53,471            | 101,701           | 0                 | 0                  | 119,936            | 242,363            | 51,250,000           | 0.23%        |
| Singapore            | 31,127           | 171,687          | 362,542           | 1,266,213         | 574,631           | 1,464,840         | 552,547           | 1,353,891         | 0                 | 0                  | 1,520,847          | 4,256,631          | 5,607,000            | 27.12%       |
| Malaysia             | 28,163           | 96,303           | 1,434,360         | 4,615,215         | 1,086,492         | 2,624,396         | 1,284,715         | 3,863,224         | 0                 | 0                  | 3,833,730          | 11,199,138         | 31,190,000           | 12.29%       |
| Vietnam              | 4,256            | 25,527           | 37,718            | 116,259           | 11,463            | 22,746            | 12,073            | 2,821             | 35,994,082        | 129,803,386        | 36,059,592         | 129,970,739        | 92,700,000           | 38.90%       |
| Philippines          | 7,395            | 33,190           | 44,641            | 15,611            | 3,058,712         | 7,764,027         | 2,908,265         | 6,951,910         | 0                 | 0                  | 6,019,013          | 14,764,738         | 103,300,000          | 5.83%        |
| India                | 3,114            | 18,543           | 16,355            | 69,771            | 2,619,270         | 4,938,630         | 3,513,773         | 6,771,156         | 0                 | 0                  | 6,152,512          | 11,798,100         | 1,324,000,000        | 0.46%        |
| <b>Oceania</b>       |                  |                  |                   |                   |                   |                   |                   |                   |                   |                    |                    |                    |                      |              |
| Australia            | 28,071           | 231,695          | 154,102           | 820,561           | 1,783,528         | 3,975,191         | 1,524,381         | 3,657,670         | 0                 | 0                  | 3,490,082          | 8,685,117          | 24,130,000           | 14.46%       |
| New Zealand          | 6,328            | 63,700           | 26,173            | 156,235           | 478,822           | 1,157,534         | 372,527           | 934,792           | 0                 | 0                  | 883,850            | 2,312,261          | 4,693,000            | 18.83%       |
| <b>Europe</b>        |                  |                  |                   |                   |                   |                   |                   |                   |                   |                    |                    |                    |                      |              |
| UK                   | 20,911           | 131,231          | 95,907            | 424,409           | 2,530,843         | 5,239,094         | 2,412,375         | 5,231,808         | 0                 | 0                  | 5,060,036          | 11,026,542         | 65,640,000           | 7.71%        |
| Germany              | 13,235           | 99,587           | 50,477            | 270,866           | 176,410           | 314,943           | 143,727           | 263,900           | 4,199,151         | 15,000,000         | 4,583,000          | 15,949,296         | 82,670,000           | 5.54%        |
| France               | 10,856           | 99,596           | 35,402            | 175,619           | 46,845            | 74,743            | 36,799            | 59,293            | 6,170,098         | 0                  | 6,300,000          | 409,251            | 66,900,000           | 9.42%        |
| Netherlands          | 7,013            | 51,263           | 24,681            | 130,082           | 825,763           | 1,713,808         | 476,994           | 1,025,737         | 0                 | 0                  | 1,334,451          | 2,920,890          | 17,020,000           | 7.84%        |
| Italy                | 4,088            | 32,220           | 14,214            | 64,090            | 19,770            | 33,212            | 20,478            | 35,269            | 0                 | 0                  | 58,550             | 164,791            | 60,600,000           | 0.10%        |
| Spain                | 3,140            | 24,883           | 12,275            | 61,038            | 88,865            | 182,324           | 31,920            | 59,251            | 6,803,800         | 13,301,116         | 6,940,000          | 13,628,612         | 46,560,000           | 14.91%       |
| Sweden               | 1,469            | 16,954           | 6,213             | 41,894            | 655,013           | 1,562,290         | 453,871           | 1,124,592         | 0                 | 0                  | 1,116,566          | 2,745,730          | 9,903,000            | 11.28%       |
| <b>Total:</b>        | <b>2,227,416</b> | <b>8,370,231</b> | <b>13,257,441</b> | <b>43,445,646</b> | <b>28,831,152</b> | <b>61,884,553</b> | <b>26,848,574</b> | <b>59,954,979</b> | <b>53,167,131</b> | <b>158,104,502</b> | <b>124,331,714</b> | <b>331,759,911</b> | <b>2,505,962,167</b> | <b>4.96%</b> |

\* **Country medium** lists the four most important national media outlets. These are DE = Die Neue Epoche, FR = Epoch Times France, ES = La Gran Epoca, VT = Vietnamese ET. The global traffic on the country medium is cited. Version: March 2018, source: Media data from the Epoch Media Group (<http://onlinemediainfo.epochtimes.com/2018/03/feb-2018-traffic/>)









## Financials











## Global Facebook followers per month

EMG social media channels are helpful to GERMANTOM in acquiring a solid digital audience.

EMG has over 113.29 million social media followers around the world: a good audience for promoting GERMANTOM and its products. Below is a list of channels with their respective number of Facebook followers.

|   |   |   |  |   |   |   |   |
|---|---|---|--|---|---|---|---|
|  |  |  |  |  |  |  |  |
| NTD Television<br>followers:  | NTD Life<br>followers:  | Inspired<br>followers:  | NTD News<br>followers:   | Taste Life<br>followers:  | Epoch Times<br>followers:   | Beauty Within<br>followers:   | NTD<br>Canada<br>followers:   |
| 27,000,000  | 16,000,000  | 12,000,000  | 4,900,000  | 8,400,000   | 5,000,000   | 1,200,000   | 714,734   |

|   |   |   |  |   |   |   |   |
|---|---|---|--|---|---|---|---|
|  |  |  |  |  |  |  |  |
| funniest<br>followers:  | NTD India<br>followers:   | NTD Korea<br>followers:   | DKN TV<br>followers:   | Hallyu World<br>followers:  | DJY News<br>followers:  | NTD China<br>followers:   | NTD Australia<br>followers:   |
| 7,800,000   | 11,000,000  | 1,100,000   | 11,000,000   | 3,200,000   | 2,700,000   | 175,342   | 1,100,000   |



## Financials

### Launch, market & product expansion

| Country | No. of inhabitants | EMG unique users<br>(Digital) | Anticipated unique users<br>(Digital, TV, social networks) |
|---------|--------------------|-------------------------------|--|
| Germany | 82,670,000         | 4,583,000                     | 7,300,000  |
| UK      | 65,640,000         | 5,060,036                     | 6,800,000  |
| Spain   | 46,560,000         | 6,940,000                     | 8,900,000  |
| France  | 66,900,000         | 6,300,000                     | 8,200,000  |

Business operations will launch on 15 June 2018 in Germany, England, Spain and France. Given the geographical proximity, straightforward trade routes and relative lack of customs regulations, GERMANTOM is primarily focusing on Europe for its launch. Business operations will be rolled out in other markets three months after the initial launch.

Due to the high number of unique users in relation to the number of inhabitants, further target markets include in particular:

- + Vietnam (<36 million unique users)
- + Taiwan (<7.8 million unique users)
- + Singapore (<1.52 million unique users)
- + Malaysia (<3.8 million unique users)
- + USA (<27 million unique users)



Market expansion into Asia, particularly Vietnam, is planned for October, introducing the additional category of Wine & Spirits. Negotiations are already underway with partners and suppliers such as Schenk GmbH and Mack & Schüle AG for this market and category. The category of Wine & Spirits will also be offered in Europe in November 2018. As a result of the huge market volume and strong partnerships, a dedicated shop will be created for the Wine & Spirits category if necessary.

## Financials



## Purchase value and margin in specific categories

By the end of 2019, GERMANTOM's main business will consist of cosmetics, jewelry, fashion, china and spirits. Further categories will follow in business operations, but are not taken into account in the financial planning.

The following conservative estimates will be used for this purpose:

Category data:

| Category                        | Cosmetics   | Jewelry    | China        | Spirits    | Wine       |
|---------------------------------|-------------|------------|--------------|------------|------------|
| Ø Value of goods per order in € | €75.0       | €800       | €210         | €30.0      | €13.0      |
| Ø Profit margin                 | €25.0 (33%) | €280 (35%) | €73.50 (35%) | €5.4 (18%) | €3.0 (23%) |

Market launch data

| Country | Inhabitants     | EMG Uniques | Market size Cosmetics* | Market size Jewelry* | Market size China* | Market size Spirits* | Market size Wine* |
|---------|-----------------|-------------|------------------------|----------------------|--------------------|----------------------|-------------------|
| Germany | 82,670,000      | 4,583,000   | 13.56 billion          | 10.1 billion         | n.a.               | 5.34 billion         | 7.24 billion      |
| UK      | 65,640,000      | 5,060,036   | 11.3 billion           | 9.4 billion          | n.a.               | 6.3 billion          | 8.32 billion      |
| Spain   | 46,560,000      | 6,940,000   | 6.85 billion           | 4.1 billion          | n.a.               | 3.83 billion         | 3.12 billion      |
| France  | 66,900,000      | 6,300,000   | 11.52 billion          | 8.07 billion         | n.a.               | 7.3 billion          | 13.05 billion     |
| Vietnam | 92,700,000 (**) | 36,059,592  | 1.47 billion           | n.a.                 | n.a.               | 1.23 billion         | 0.25 billion      |

\*Source: Statista.com

(\*\*) Translator's note: A "0" was missing in the original document.

## Financials



### Launch partners for specific categories, prices & margins

#### 1. Cosmetics: (Anticipated value of goods purchased per order: €75, margin 50%-75%)

Chris Farrell Cosmetics – (<https://www.chris-farrell.com>)

Exclusive cosmetics. Price range: €10 - €169

Dr. Severin – (<https://www.drseverin.com>)

Exclusive cosmetics. Price range: €10 - €100

CHRIS FARRELL  
COSMETICS

#### 2. Jewelry: (Anticipated value of goods purchased per order: €2,000, margin 35-50%)

Staudt Watches – (<http://www.staudtwatches.com>)

Exclusive watches. Price range: €1,500 – €4,500

Shorokhoff Watches – (<http://www.alexander-shorokhoff.de>)

Exclusive watches. Price range: €1,125 - €9,850

Laimer Watches – ([www.laimer.bz](http://www.laimer.bz))

Fashion watches. Price range: €84.90 - €249.90

Coco Bont – (<https://cocobont.com>)

Jewelry & fashion. Price range €11.00-€495.90

MANTWILL  
Porzellanmanufaktur



SCHENK  
DIE WEIN-EXPERTEN



#### 3. China (Anticipated value of goods purchased per order €210, margin 35%)

Mantwill Manufaktur – (<https://mantwill-porzellan.de>)

Exclusive china. Price range: €22.90 - €69.90

ALEXANDER SHOROKHOFF  
UHRENMANUFAKTUR  
GERMANY

+++ The following category is under negotiation; to be launched late in the year!:

#### 4. Spirits (Anticipated value of goods purchased per order €30, margin 18%)

#### 5. Wine (Anticipated value of goods purchased per order €78, margin 24%)

Schenk GmbH – (<http://www.schenk-weine.de>)

Wine & spirits

Mack & Schüle AG - (<https://www.mack-schuehle.de>)

Wine & spirits

LAIMER



## Financials



## Financial overview 2018 – Europe (\*\*\*)

|   | Jan 18           | Feb 18           | Mar 18           | Apr 18           | May 18           | June 18          | July 18          | Aug 18           | Sept 18          | Oct 18           | Nov 18           | Dec 18           | Cumulative 2018:   |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|--------------------|
| <b>Equity</b>                           | €527,000         | €427,000         | €327,000         | €227,000         | €127,000         | €27,000          | €90,000          | €65,688          | €23,538          | €47,358          | €147,353         | €363,026         |                    |
| <b>Costs</b>                            |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                    |
| Wages & salaries                        | €80,000          | €80,000          | €80,000          | €80,000          | €80,000          | €90,000          | €90,000          | €90,000          | €95,000          | €95,000          | €95,000          | €95,000          | €1,050,000         |
| Vehicle & travel costs                  | € 5,000          | € 5,000          | € 5,000          | € 5,000          | € 5,000          | € 7,000          | € 7,000          | € 7,000          | € 7,000          | € 7,000          | € 7,000          | € 7,000          | € 74,000           |
| Telecoms costs                          | € 1,000          | € 1,000          | € 1,000          | € 1,000          | € 1,000          | € 1,000          | € 1,000          | € 1,000          | € 1,000          | € 1,000          | € 1,000          | € 1,000          | € 12,000           |
| Tax advisor                             | € 700            | € 700            | € 700            | € 700            | € 700            | € 700            | € 700            | € 700            | € 700            | € 700            | € 700            | € 700            | € 8,400            |
| Electricity                             | € 300            | € 300            | € 300            | € 300            | € 300            | € 300            | € 300            | € 300            | € 300            | € 300            | € 300            | € 300            | € 3,600            |
| Software + office materials             | € 1,000          | € 1,000          | € 1,000          | € 1,000          | € 1,000          | € 1,000          | € 1,000          | € 1,000          | € 1,000          | € 1,000          | € 1,000          | € 1,000          | € 12,000           |
| Rent + utilities                        | € 4,000          | € 4,000          | € 4,000          | € 4,000          | € 4,000          | € 7,000          | € 7,000          | € 7,000          | € 7,000          | € 7,000          | € 7,000          | € 7,000          | € 69,000           |
| Other costs                             | € 8,000          | € 8,000          | € 8,000          | € 8,000          | € 8,000          | € 8,000          | € 8,000          | € 8,000          | € 8,000          | € 8,000          | € 8,000          | € 8,000          | € 96,000           |
| <b>Total costs:</b>                     | <b>€ 100,000</b> | <b>€ 100,000</b> | <b>€ 100,000</b> | <b>€ 100,000</b> | <b>€ 100,000</b> | <b>€ 115,000</b> | <b>€ 115,000</b> | <b>€ 115,000</b> | <b>€ 120,000</b> | <b>€ 120,000</b> | <b>€ 120,000</b> | <b>€ 120,000</b> | <b>€ 1,325,000</b> |
| <b>Revenue Europe</b>                   |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                    |
| <b>Category: Alcohol</b>                |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                    |
| (Growth 10% per month)                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                    |
| No. of customers                        | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 1,000            | 2,778            | 3,778              |
| No. of wine bottles                     | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 6,000            | 16,668           | 22,668             |
| Price bottle of wine                    | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 13             | € 13             |                    |
| Sales                                   | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 78,000         | € 216,684        | € 294,684          |
| (average €3 per bottle)                 |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                    |
| Margin                                  | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 18,000         | € 50,004         | € 68,004           |
| (Growth 10% per month)                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                    |
| No. of customers                        | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 1,000            | 1,300            | 2,300              |
| No. of bottles of spirits               | 1                | 1                | 1                | 1                | 1                | 1                | 1                | 1                | 1                | 1                | 1                | 1                | 1                  |
| Price bottle of spirits                 | € 30             | € 30             | € 30             | € 30             | € 30             | € 30             | € 30             | € 30             | € 30             | € 30             | € 30             | € 30             |                    |
| Sales                                   | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 30,000         | € 39,000         | € 69,000           |
| (18% of sales)                          |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                    |
| Margin                                  | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 0              | € 5,400          | € 7,020          | € 12,420           |
| (Growth 10% per month)                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                    |
| No. of customers                        | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 2,000            | 2,200            | 4,200              |
| No. bottles of beer                     | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 0                | 24,000           | 26,400           | 50,400             |
| Price bottle of beer                    | - €              | - €              | - €              | - €              | - €              | - €              | - €              | - €              | - €              | - €              | - €              | € 1              | € 1                |
| Sales                                   | - €              | - €              | - €              | - €              | - €              | - €              | - €              | - €              | - €              | - €              | € 31,200         | € 34,320         | € 65,520           |
| (18% of sales) Category:                |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                    |
| Margin                                  | - €              | - €              | - €              | - €              | - €              | - €              | - €              | - €              | - €              | - €              | € 5,616          | € 6,178          | € 11,794           |
| <b>Cosmetics (Growth 10% per month)</b> |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                    |
| No. of customers:                       | 0                | 0                | 0                | 0                | 0                | 1,000            | 1,500            | 1,500            | 4,000            | 4,500            | 5,000            | 10,000           | 27,500             |
| Value of goods per customer:            | € 0              | € 0              | € 0              | € 0              | € 0              | € 75             | € 75             | € 75             | € 75             | € 75             | € 75             | € 75             | € 75               |
| Sales                                   | - €              | - €              | - €              | - €              | - €              | € 75,000         | € 112,500        | € 112,500        | € 300,000        | € 337,500        | € 375,000        | € 750,000        | € 2,062,500        |
| (average 33%) Category:                 |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                    |
| Margin                                  | - €              | - €              | - €              | - €              | - €              | € 25,000         | € 37,500         | € 37,500         | € 100,000        | € 112,500        | € 125,000        | € 250,000        | € 687,500          |
| <b>Jewelry (Growth 10% per month)</b>   |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                    |
| No. of customers:                       | 0                | 0                | 0                | 0                | 0                | 8                | 13               | 100              | 125              | 200              | 250              | 625              | 1,320              |
| Value of goods per customer:            | € 0              | € 0              | € 0              | € 0              | € 0              | € 800            | € 800            | € 800            | € 800            | € 800            | € 800            | € 800            | € 800              |
| Sales                                   | € 0              | € 0              | € 0              | € 0              | € 0              | € 6,000          | € 10,000         | € 80,000         | € 100,000        | € 160,000        | € 200,000        | € 500,000        | € 1,056,000        |
| (average 35%) Category:                 |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                    |
| China (Growth 10% per month)            |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                    |
| Margin                                  | € 0              | € 0              | € 0              | € 0              | € 0              | € 2,100          | € 3,500          | € 28,000         | € 35,000         | € 56,000         | € 70,000         | € 175,000        | € 369,600          |
| (average 35%)                           |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                    |
| No. of customers:                       | 0                | 0                | 0                | 0                | 0                | 3                | 5                | 100              | 120              | 150              | 170              | 200              | 748                |
| Value of goods per customer:            | € 0              | € 0              | € 0              | € 0              | € 0              | € 210            | € 210            | € 210            | € 210            | € 210            | € 210            | € 210            | € 210              |
| Sales                                   | - €              | - €              | - €              | - €              | - €              | € 630            | € 1,050          | € 21,000         | € 25,200         | € 31,500         | € 35,700         | € 42,000         | € 157,080          |
| Margin                                  | - €              | - €              | - €              | - €              | - €              | € 221            | € 368            | € 7,350          | € 8,820          | € 11,025         | € 12,495         | € 14,700         | € 54,978           |
| <b>Total sales Europe</b>               |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                    |
| Per month                               | - €              | - €              | - €              | - €              | - €              | € 81,630         | € 123,550        | € 213,500        | € 425,200        | € 529,000        | € 749,900        | € 1,582,004      | € 3,704,784        |
| <b>Total margin Europe</b>              |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |                    |
| Per month                               | - €              | - €              | - €              | - €              | - €              | € 27,321         | € 41,368         | € 72,850         | € 143,820        | € 179,525        | € 236,511        | € 502,902        | € 1,204,296        |



## Financials



## Financial overview 2018 – Asia

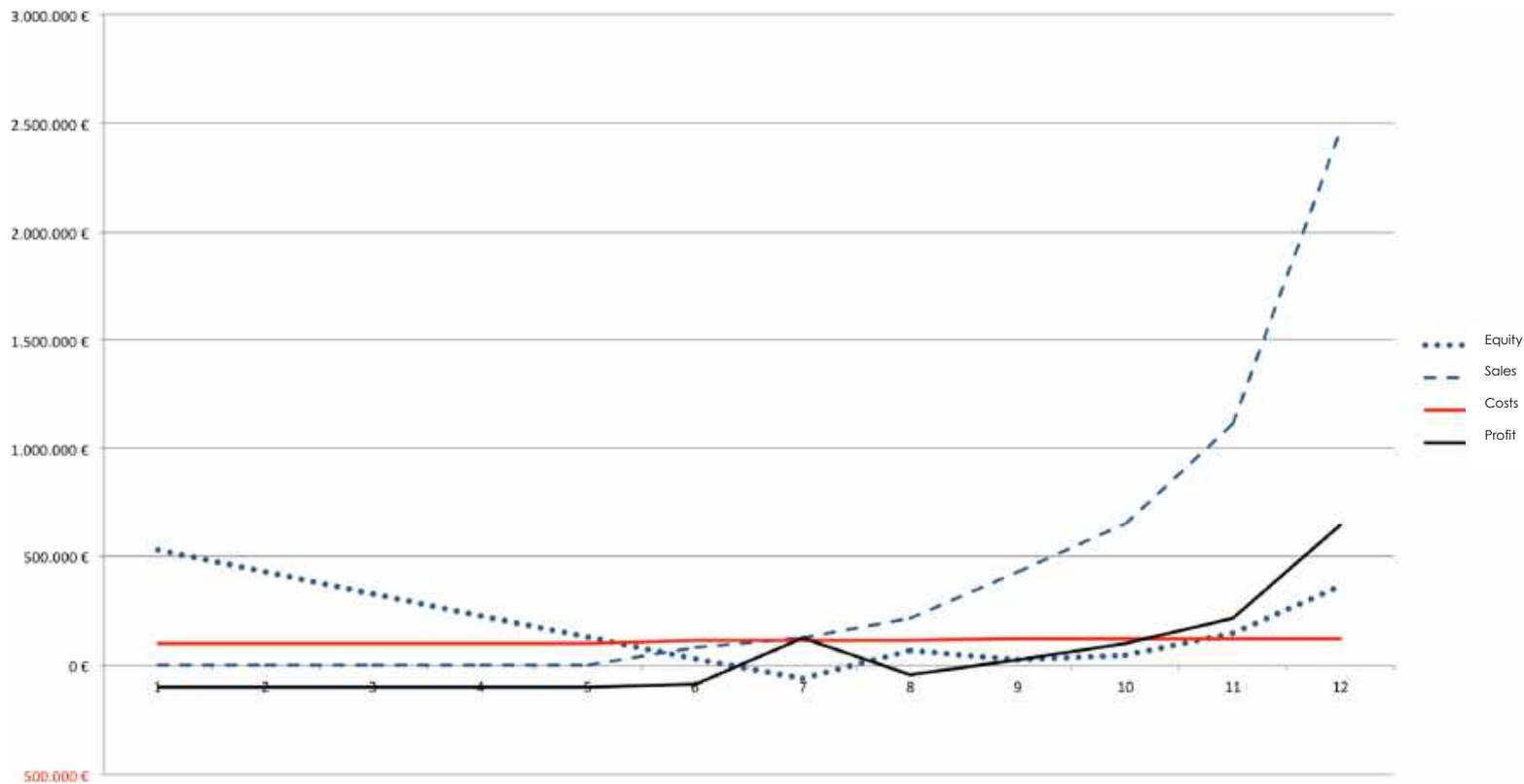
| Revenue Asia                                     | Jan 18                       | Feb 18    | Mar 18    | Apr 18    | May 18    | June 18   | July 18   | Aug 18    | Sept 18   | Oct 18    | Nov 18    | Dec 18      | Cumulative 2018: |             |
|--|------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------------|------------------|-------------|
| Category: Alcohol                                |                              |           |           |           |           |           |           |           |           |           |           |             |                  |             |
| (Growth 10% per month)                           | No. of customers             | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 556         | 2,778            | 3,334       |
|  | No. bottles of wine          | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 3,336       | 16,668           |             |
|  | Price bottle of wine         | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | € 13        | € 13             |             |
|  | Sales                        | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | € 43,368    | € 216,684        | € 260,052   |
| (average €3 per bottle)                          | Margin                       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | € 10,008    | € 50,004         | € 60,012    |
| Category: Spirits                                |                              |           |           |           |           |           |           |           |           |           |           |             |                  |             |
| (Growth 10% per month)                           | No. of customers             | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 3,000       | 3,300            | 6,300       |
|  | No. bottles of spirits       | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 1           | 1                |             |
|  | Price bottle of spirits      | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | € 30        | € 30             |             |
|  | Sales                        | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | € 90,000    | € 99,000         | € 189,000   |
| (18% of sales)                                   | Margin                       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | € 16,200    | € 17,820         | € 34,020    |
| Category: Beer                                   |                              |           |           |           |           |           |           |           |           |           |           |             |                  |             |
| (Growth 10% per month) (12 bottles per customer) | No. of customers             | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 2,000       | 2,200            | 4,200       |
|  | No. bottles of beer          | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 24000       | 26400            |             |
|  | Price bottle of beer         | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | € 1         | € 1              |             |
|  | Sales                        | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | € 31,200    | € 34,320         | € 65,520    |
| (18% of sales)                                   | Margin                       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | € 5,616     | € 6,178          | € 11,794    |
| Category: Cosmetics                              |                              |           |           |           |           |           |           |           |           |           |           |             |                  |             |
|  | No. of customers:            | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 1,000     | 1,500       | 3,000            | 5,500       |
|  | Value of goods per customer: | € 0       | € 0       | € 0       | € 0       | € 0       | € 0       | € 0       | € 0       | € 0       | € 75      | € 75        | € 75             |             |
|  | Sales                        | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | € 75,000  | € 112,500   | € 225,000        | € 412,500   |
|  | Margin                       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | € 25,000  | € 37,500    | € 75,000         | € 137,500   |
| Category: Jewelry                                |                              |           |           |           |           |           |           |           |           |           |           |             |                  |             |
| (Growth 10% per month)                           | No. of customers:            | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 50        | 100         | 375              | 525         |
|  | Value of goods per customer: | € 800     | € 800     | € 800     | € 800     | € 800     | € 800     | € 800     | € 800     | € 800     | € 800     | € 800       | € 800            |             |
|  | Sales                        | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | € 40,000  | € 80,000    | € 300,000        | € 420,000   |
| (average 35%)                                    | Margin                       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | € 14,000  | € 28,000    | € 105,000        | € 147,000   |
| Category: China                                  |                              |           |           |           |           |           |           |           |           |           |           |             |                  |             |
| (Growth 10% per month)                           | No. of customers:            | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 0         | 20        | 25          | 50               | 95          |
|  | Value of goods per customer: | € 0       | € 0       | € 0       | € 0       | € 0       | € 210     | € 210     | € 210     | € 210     | € 210     | € 210       | € 210            |             |
|  | Sales                        | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | € 4,200   | € 5,250     | € 10,500         | € 19,950    |
| (average 35%)                                    | Margin                       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | - €       | € 1,470   | € 1,838     | € 3,675          | € 6,983     |
| Total sales Asia Total                           |                              |           |           |           |           |           |           |           |           |           |           |             |                  |             |
| margin Asia                                      | Per month                    | € 0       | € 0       | € 0       | € 0       | € 0       | € 0       | € 0       | € 0       | € 0       | € 119,200 | € 362,318   | € 885,504        | € 1,367,022 |
|  | Per month                    | € 0       | € 0       | € 0       | € 0       | € 0       | € 0       | € 0       | € 0       | € 0       | € 40,470  | € 99,162    | € 257,677        | € 397,308   |
| Total sales GT                                   |                              |           |           |           |           |           |           |           |           |           |           |             |                  |             |
| Per month  | Per month                    | - €       | - €       | - €       | - €       | - €       | € 81,630  | € 123,550 | € 213,500 | € 425,200 | € 648,200 | € 1,112,218 | € 2,467,508      | € 5,071,806 |
| Total margin GT                                  |                              |           |           |           |           |           |           |           |           |           |           |             |                  |             |
| Per month  | Per month                    | - €       | - €       | - €       | - €       | - €       | € 27,321  | € 41,368  | € 72,850  | € 143,820 | € 219,995 | € 335,673   | € 760,578        | € 1,601,604 |
| Capital increase:                                |                              |           |           |           |           |           |           |           |           |           |           |             |                  |             |
| Per month  | Per month                    | - €       | - €       | - €       | - €       | - €       | - €       | € 200,000 | - €       | - €       | - €       | - €         | - €              | € 200,000   |
| Running costs                                    |                              |           |           |           |           |           |           |           |           |           |           |             |                  |             |
| Per month  | Per month                    | € 100,000 | € 100,000 | € 100,000 | € 100,000 | € 100,000 | € 115,000 | € 115,000 | € 115,000 | € 120,000 | € 120,000 | € 120,000   | € 120,000        | € 1,325,000 |
| Profit/Loss                                      |                              |           |           |           |           |           |           |           |           |           |           |             |                  |             |
| Per month  | Per month                    | € 100,000 | € 100,000 | € 100,000 | € 100,000 | € 100,000 | € 87,680  | € 126,368 | € 42,150  | € 23,820  | € 99,995  | € 215,673   | € 640,578        | € 476,604   |

## Financials



### Financial overview 2018

GERMANTOM launches business operations in European countries in June 2018. It will move into the Vietnamese market in late 2018. A capital increase of approx. TE200 by existing shareholders takes place in the middle of the year. The company expects to break even in November 2018. Revenues will then cover running costs. Despite a huge initial investment, GERMANTOM anticipates a profit of around TE400 at the end of the year.



## Financials



## Financial overview 2019 – Europe

|  | Jan 19                       | Feb 19      | Mar 19      | Apr 19      | May 19      | June 19     | July 19     | Aug 19      | Sept 19     | Oct 19      | Nov 19      | Dec 19       | Cumulative 2019: |              |
|--|------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|------------------|--------------|
| Equity   | € 1,003,604                  | € 476,604   | € 1,756,907 | € 1,348,237 | € 2,805,207 | € 2,573,467 | € 4,248,580 | € 4,282,725 | € 6,304,111 | € 6,783,696 | € 9,385,419 | € 10,629,871 |                  |              |
| Costs  |                              |             |             |             |             |             |             |             |             |             |             |              |                  |              |
| Wages & salaries                                 | € 100,000                    | € 100,000   | € 103,000   | € 103,000   | € 103,000   | € 110,000   | € 110,000   | € 110,000   | € 110,000   | € 110,000   | € 110,000   | € 110,000    | € 1,279,000      |              |
| Vehicle & travel costs                           | € 7,000                      | € 7,000     | € 7,000     | € 7,000     | € 7,000     | € 7,000     | € 7,000     | € 7,000     | € 7,000     | € 7,000     | € 7,000     | € 7,000      | € 84,000         |              |
| Telecoms costs                                   | € 1,000                      | € 1,000     | € 1,000     | € 1,000     | € 1,000     | € 1,000     | € 1,000     | € 1,000     | € 1,000     | € 1,000     | € 1,000     | € 1,000      | € 12,000         |              |
| Tax advisor                                      | € 700                        | € 700       | € 700       | € 700       | € 700       | € 700       | € 700       | € 700       | € 700       | € 700       | € 700       | € 700        | € 8,400          |              |
| Electricity                                      | € 300                        | € 300       | € 300       | € 300       | € 300       | € 300       | € 300       | € 300       | € 300       | € 300       | € 300       | € 300        | € 3,600          |              |
| Software + office materials                      | € 4,000                      | € 4,000     | € 4,000     | € 4,000     | € 4,000     | € 4,000     | € 4,000     | € 4,000     | € 4,000     | € 4,000     | € 4,000     | € 4,000      | € 48,000         |              |
| Rent + utilities                                 | € 7,000                      | € 7,000     | € 7,000     | € 7,000     | € 7,000     | € 7,000     | € 7,000     | € 7,000     | € 7,000     | € 7,000     | € 7,000     | € 7,000      | € 84,000         |              |
| Other costs                                      | € 10,000                     | € 10,000    | € 10,000    | € 10,000    | € 10,000    | € 10,000    | € 10,000    | € 10,000    | € 10,000    | € 10,000    | € 10,000    | € 10,000     | € 120,000        |              |
| Total costs:                                     | € 130,000                    | € 130,000   | € 133,000   | € 133,000   | € 133,000   | € 140,000   | € 140,000   | € 140,000   | € 140,000   | € 140,000   | € 140,000   | € 140,000    | € 1,639,000      |              |
| Revenue Europe                                   |                              |             |             |             |             |             |             |             |             |             |             |              |                  |              |
| Category: Alcohol                                | Jan 19                       | Feb 19      | Mar 19      | Apr 19      | May 19      | June 19     | July 19     | Aug 19      | Sept 19     | Oct 19      | Nov 19      | Dec 19       | Cumulative 2019: |              |
| (Growth 10% per month)                           | No. of customers             | 3,200       | 3,520       | 5,000       | 5,500       | 6,050       | 6,655       | 7,321       | 8,053       | 8,858       | 9,744       | 10,718       | 11,790           | 86,407       |
|  | No. of wine bottles          | 19,200      | 21,120      | 30,000      | 33,000      | 36,300      | 39,930      | 43,923      | 48,315      | 53,147      | 58,462      | 64,308       | 70,738           | 518,443      |
|  | Price bottle of wine         | € 13        | € 13        | € 13        | € 13        | € 13        | € 13        | € 13        | € 13        | € 13        | € 13        | € 13         | € 13             | € 13         |
|  | Sales                        | € 249,600   | € 274,560   | € 390,000   | € 429,000   | € 471,900   | € 519,090   | € 570,999   | € 628,099   | € 690,909   | € 760,000   | € 836,000    | € 919,600        | € 6,739,756  |
| (average €3 per bottle)                          | Margin                       | € 57,600    | € 63,360    | € 90,000    | € 99,000    | € 108,900   | € 119,790   | € 131,769   | € 144,946   | € 159,440   | € 175,385   | € 192,923    | € 212,215        | € 1,555,328  |
| (Growth 10% per month)                           | No. of customers             | 1,500       | 1,650       | 5,000       | 5,500       | 6,050       | 6,655       | 7,321       | 8,053       | 8,858       | 9,744       | 10,718       | 11,790           | 82,837       |
|  | No. of bottles of spirits    | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1            | 1                | 1            |
|  | Price bottle of spirits      | € 30        | € 30        | € 30        | € 30        | € 30        | € 30        | € 30        | € 30        | € 30        | € 30        | € 30         | € 30             | € 30         |
|  | Sales                        | € 45,000    | € 49,500    | € 150,000   | € 165,000   | € 181,500   | € 199,650   | € 219,615   | € 241,577   | € 265,734   | € 292,308   | € 321,538    | € 353,692        | € 2,485,114  |
| (18% of sales)                                   | Margin                       | € 8,100     | € 8,910     | € 27,000    | € 29,700    | € 32,670    | € 35,937    | € 39,531    | € 43,484    | € 47,832    | € 52,615    | € 57,877     | € 63,665         | € 447,320    |
| (Growth 10% per month) (12 bottles per customer) | No. of customers             | 2,420       | 2,662       | 2,928       | 3,221       | 3,543       | 3,897       | 4,287       | 4,716       | 5,187       | 5,706       | 6,277        | 6,905            | 51,750       |
|  | No. bottles of beer          | 29,040      | 31,944      | 35,138      | 38,652      | 42,517      | 46,769      | 51,446      | 56,591      | 62,250      | 68,475      | 75,322       | 82,855           |              |
|  | Price bottle of beer         | € 1         | € 1         | € 1         | € 1         | € 1         | € 1         | € 1         | € 1         | € 1         | € 1         | € 1          | € 1              | € 1          |
|  | Sales                        | € 37,752    | € 41,527    | € 45,680    | € 50,248    | € 55,273    | € 60,800    | € 66,880    | € 73,568    | € 80,925    | € 89,017    | € 97,919     | € 107,711        | € 807,299    |
| (18% of sales) Category:                         | Margin                       | € 6,795     | € 7,475     | € 8,222     | € 9,045     | € 9,949     | € 10,944    | € 12,038    | € 13,242    | € 14,566    | € 16,023    | € 17,625     | € 19,388         | € 145,314    |
| Cosmetics (Growth 10% per month)                 | No. of customers:            | 11,000      | 12,100      | 13,310      | 14,641      | 16,105      | 17,716      | 19,487      | 21,436      | 23,579      | 25,937      | 28,531       | 31,384           | 235,227      |
|  | Value of goods per customer: | 75          | 75          | 75          | 75          | 75          | 75          | 75          | 75          | 75          | 75          | 75           | 75               | 75           |
| (average 33%) Category:                          | Sales                        | € 825,000   | € 907,500   | € 998,250   | € 1,098,075 | € 1,207,883 | € 1,328,671 | € 1,461,538 | € 1,607,692 | € 1,768,461 | € 1,945,307 | € 2,139,838  | € 2,353,821      | € 17,642,034 |
| Jewelry (Growth 10% per month)                   | Margin                       | € 275,000   | € 302,500   | € 332,750   | € 366,025   | € 402,628   | € 442,890   | € 487,179   | € 535,897   | € 589,487   | € 648,436   | € 713,279    | € 784,607        | € 5,880,678  |
| (average 35%) Category:                          | No. of customers:            | 688         | 756         | 832         | 915         | 1,007       | 1,107       | 1,218       | 1,340       | 1,474       | 1,621       | 1,783        | 1,962            | 14,702       |
| China (Growth 10% per month)                     | Value of goods per customer: | € 800       | € 800       | € 800       | € 800       | € 800       | € 800       | € 800       | € 800       | € 800       | € 800       | € 800        | € 800            | € 800        |
|  | Sales                        | € 550,000   | € 605,000   | € 665,500   | € 732,050   | € 805,255   | € 885,781   | € 974,359   | € 1,071,794 | € 1,178,974 | € 1,296,871 | € 1,426,558  | € 1,569,214      | € 11,761,356 |
|  | Margin                       | € 192,500   | € 211,750   | € 232,925   | € 256,218   | € 281,839   | € 310,023   | € 341,025   | € 375,128   | € 412,641   | € 453,905   | € 499,295    | € 549,225        | € 4,116,475  |
| (average 35%)                                    | No. of customers:            | 220         | 242         | 266         | 293         | 322         | 354         | 390         | 429         | 472         | 519         | 571          | 628              | 4705         |
|  | Value of goods per customer: | € 210       | € 210       | € 210       | € 210       | € 210       | € 210       | € 210       | € 210       | € 210       | € 210       | € 210        | € 210            | € 210        |
|  | Sales                        | € 46,200    | € 50,820    | € 55,902    | € 61,492    | € 67,641    | € 74,406    | € 81,846    | € 90,031    | € 99,034    | € 108,937   | € 119,831    | € 131,814        | € 987,954    |
|  | Margin                       | € 16,170    | € 17,787    | € 19,566    | € 21,522    | € 23,674    | € 26,042    | € 28,646    | € 31,511    | € 34,662    | € 38,128    | € 41,941     | € 46,135         | € 345,784    |
| Total sales Europe                               | Per month                    | € 1,753,552 | € 1,928,907 | € 2,305,332 | € 2,535,865 | € 2,789,452 | € 3,068,397 | € 3,375,236 | € 3,712,760 | € 4,084,036 | € 4,492,440 | € 4,941,684  | € 5,435,852      | € 40,423,513 |
| Total margin Europe                              | Per month                    | € 556,165   | € 611,782   | € 710,463   | € 781,509   | € 859,660   | € 945,626   | € 1,040,189 | € 1,144,208 | € 1,258,629 | € 1,384,492 | € 1,522,941  | € 1,675,235      | € 12,490,899 |

## Financials



## Financial overview 2019 – Asia

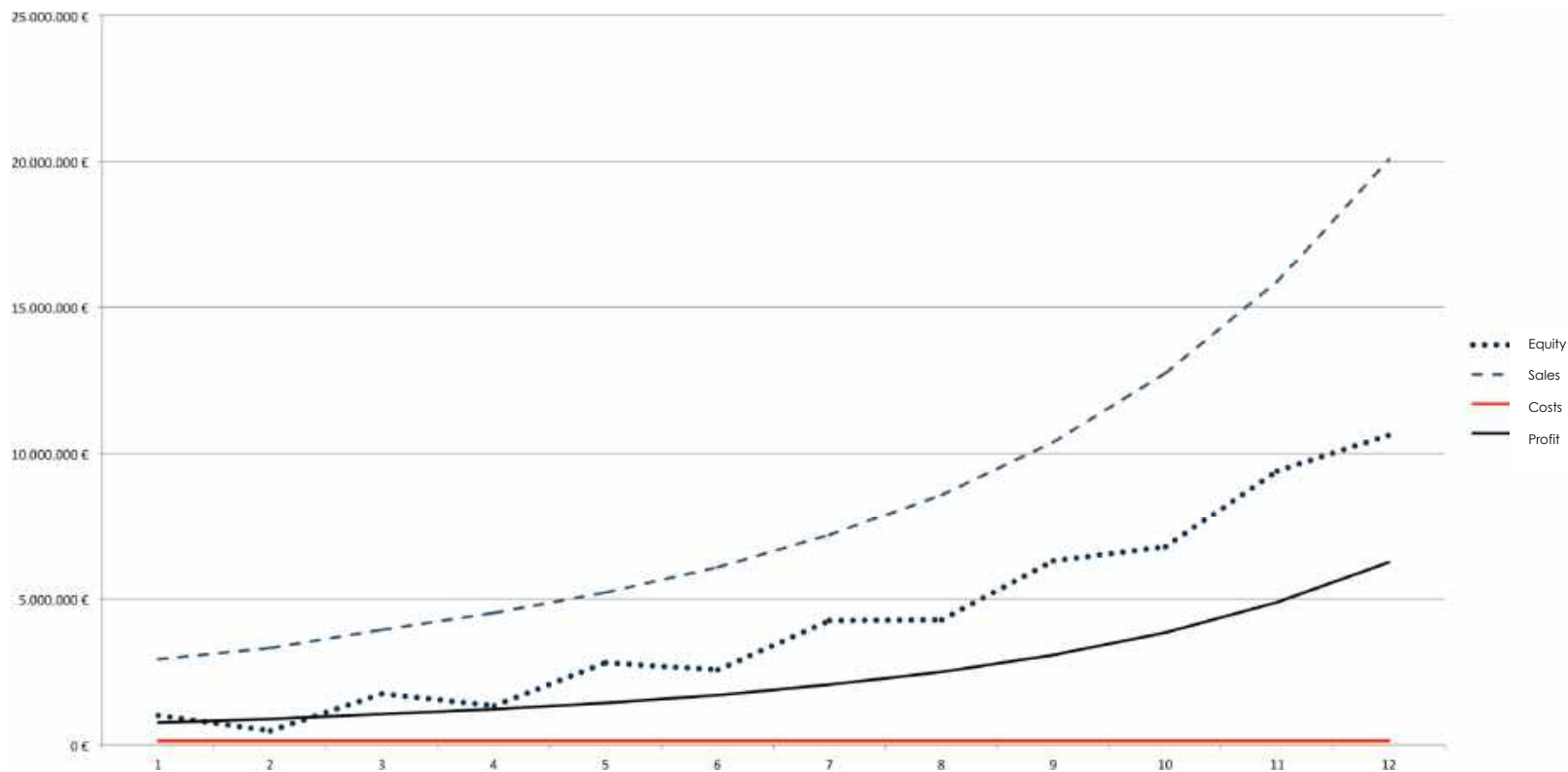
| Revenue Asia   |                              | Jan 19      | Feb 19      | Mar 19      | Apr 19      | May 19      | June 19     | July 19     | Aug 19      | Sept 19      | Oct 19       | Nov 19       | Dec 19       | Cumulative 2019: |              |
|--|------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|--------------|--------------|--------------|------------------|--------------|
| Category: Alcohol                                    |                              |             |             |             |             |             |             |             |             |              |              |              |              |                  |              |
| (Growth 10% per month)                               | No. of customers             | 3,200       | 3,520       | 3,872       | 4,259       | 4,685       | 5,154       | 5,669       | 6,236       | 6,859        | 7,545        | 8,300        | 9,130        | 68,430           |              |
|  | No. of wine bottles          | 19,200      | 21,120      | 23,232      | 25,555      | 28,111      | 30,922      | 34,014      | 37,415      | 41,157       | 45,273       | 49,800       | 54,780       | 34,215           |              |
|  | Price bottle of wine         | € 13        | € 13        | € 13        | € 13        | € 13        | € 13        | € 13        | € 13        | € 13         | € 13         | € 13         | € 13         |                  |              |
|  | Sales                        | € 249,600   | € 274,560   | € 302,016   | € 332,218   | € 365,439   | € 401,983   | € 442,182   | € 486,400   | € 535,040    | € 588,544    | € 647,398    | € 712,138    | € 5,337,517      |              |
| (average €3 per bottle) (Growth 10% per month)       | Margin                       | € 57,600    | € 63,360    | € 69,696    | € 76,666    | € 84,332    | € 92,765    | € 102,042   | € 112,246   | € 123,471    | € 135,818    | € 149,400    | € 164,340    | € 1,231,735      |              |
|  |                              |             |             |             |             |             |             |             |             |              |              |              |              |                  |              |
| 10% per month)                                       | No. of customers             | 8,000       | 8,800       | 9,680       | 10,648      | 11,713      | 12,884      | 14,172      | 15,590      | 17,149       | 18,864       | 20,750       | 22,825       | 171,074          |              |
|  | No. of bottles of spirits    | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1           | 1            | 1            | 1            | 1            |                  |              |
|  | Price bottle of spirits      | € 30        | € 30        | € 30        | € 30        | € 30        | € 30        | € 30        | € 30        | € 30         | € 30         | € 30         | € 30         |                  |              |
|  | Sales                        | € 240,000   | € 264,000   | € 290,400   | € 319,440   | € 351,384   | € 386,522   | € 425,175   | € 467,692   | € 514,461    | € 565,907    | € 622,498    | € 684,748    | € 5,132,228      |              |
| (18% of sales)                                       | Margin                       | € 43,200    | € 47,520    | € 52,272    | € 57,499    | € 63,249    | € 69,574    | € 76,531    | € 84,185    | € 92,603     | € 101,863    | € 112,050    | € 123,255    | € 923,801        |              |
|  |                              |             |             |             |             |             |             |             |             |              |              |              |              |                  |              |
| (Growth 10% per month) (12 bottles per customer)     | No. of customers             | 2,420       | 2,662       | 2,928       | 3,221       | 3,543       | 3,897       | 4,287       | 4,716       | 5,187        | 5,706        | 6,277        | 6,905        | 51,750           |              |
|  | No. bottles of beer          | 29,040      | 31,944      | 35,138      | 38,652      | 42,517      | 46,769      | 51,446      | 56,591      | 62,250       | 68,475       | 75,322       | 82,855       | 51,750           |              |
|  | Price bottle of beer         | € 1         | € 1         | € 1         | € 1         | € 1         | € 1         | € 1         | € 1         | € 1          | € 1          | € 1          | € 1          |                  |              |
|  | Sales                        | € 37,752    | € 41,527    | € 45,680    | € 50,248    | € 55,273    | € 60,800    | € 66,880    | € 73,568    | € 80,925     | € 89,017     | € 97,919     | € 107,711    | € 807,299        |              |
| (18% of sales)                                       | Margin                       | € 6,795     | € 7,475     | € 8,222     | € 9,045     | € 9,949     | € 10,944    | € 12,038    | € 13,242    | € 14,566     | € 16,023     | € 17,625     | € 19,388     | € 145,314        |              |
| Category: Cosmetics                                  |                              |             |             |             |             |             |             |             |             |              |              |              |              |                  |              |
|  | No. of customers:            | 4,000       | 5,600       | 7,840       | 10,976      | 15,366      | 21,513      | 30,118      | 42,165      | 59,032       | 82,644       | 115,702      | 161,983      | 556,939          |              |
|  | Value of goods per customer: | € 75        | € 75        | € 75        | € 75        | € 75        | € 75        | € 75        | € 75        | € 75         | € 75         | € 75         | € 75         |                  |              |
|  | Sales                        | € 300,000   | € 420,000   | € 588,000   | € 823,200   | € 1,152,480 | € 1,613,472 | € 2,258,861 | € 3,162,405 | € 4,427,367  | € 6,198,314  | € 8,677,640  | € 12,148,696 | € 41,770,434     |              |
|  | Margin                       | € 100,000   | € 140,000   | € 196,000   | € 274,400   | € 384,160   | € 537,824   | € 752,954   | € 1,054,135 | € 1,475,789  | € 2,066,105  | € 2,892,547  | € 4,049,565  | € 13,923,478     |              |
| Category: Jewelry                                    |                              |             |             |             |             |             |             |             |             |              |              |              |              |                  |              |
| (Growth 10% per month)                               | No. of customers:            | 413         | 454         | 499         | 549         | 604         | 664         | 731         | 804         | 884          | 973          | 1,070        | 1,177        | 8,821            |              |
|  | Value of goods per customer: | € 800       | € 800       | € 800       | € 800       | € 800       | € 800       | € 800       | € 800       | € 800        | € 800        | € 800        | € 800        |                  |              |
|  | Sales                        | € 330,000   | € 363,000   | € 399,300   | € 439,230   | € 483,153   | € 531,468   | € 584,615   | € 643,077   | € 707,384    | € 778,123    | € 855,935    | € 941,529    | € 7,056,814      |              |
|  | Margin                       | € 115,500   | € 127,050   | € 139,755   | € 153,731   | € 169,104   | € 186,014   | € 204,615   | € 225,077   | € 247,585    | € 272,343    | € 299,577    | € 329,535    | € 2,469,885      |              |
| (average 35%) Category: China (Growth 10% per month) | No. of customers:            | 55          | 61          | 67          | 73          | 81          | 89          | 97          | 107         | 118          | 130          | 143          | 157          | 1,176            |              |
|  | Value of goods per customer: | € 210       | € 210       | € 210       | € 210       | € 210       | € 210       | € 210       | € 210       | € 210        | € 210        | € 210        | € 210        |                  |              |
|  | Sales                        | € 11,550    | € 12,705    | € 13,976    | € 15,373    | € 16,910    | € 18,601    | € 20,462    | € 22,508    | € 24,758     | € 27,234     | € 29,958     | € 32,953     | € 246,988        |              |
|  | Margin                       | € 4,043     | € 4,447     | € 4,891     | € 5,381     | € 5,919     | € 6,510     | € 7,162     | € 7,878     | € 8,665      | € 9,532      | € 10,485     | € 11,534     | € 86,446         |              |
| Total sales Asia                                     |                              | Per month   | € 1,168,902 | € 1,375,792 | € 1,639,371 | € 1,979,709 | € 2,424,639 | € 3,012,847 | € 3,798,174 | € 4,855,649  | € 6,289,936  | € 8,247,139  | € 10,931,348 | € 14,627,774     | € 60,351,281 |
| Total margin Asia                                    |                              | Per month   | € 327,138   | € 389,852   | € 470,837   | € 576,720   | € 716,713   | € 903,632   | € 1,155,342 | € 1,496,762  | € 1,962,679  | € 2,601,684  | € 3,481,684  | € 4,697,616      | € 18,780,659 |
|  |                              |             |             |             |             |             |             |             |             |              |              |              |              |                  |              |
| Total sales GT                                       | Per month                    | € 2,922,454 | € 3,304,699 | € 3,944,703 | € 4,515,574 | € 5,214,091 | € 6,081,244 | € 7,173,410 | € 8,568,409 | € 10,373,972 | € 12,739,579 | € 15,873,031 | € 20,063,626 | € 100,774,794    |              |
| Total margin GT                                      | Per month                    | € 883,303   | € 1,001,634 | € 1,181,300 | € 1,358,230 | € 1,576,373 | € 1,849,258 | € 2,195,531 | € 2,640,970 | € 3,221,308  | € 3,986,175  | € 5,004,624  | € 6,372,851  | € 31,271,558     |              |
| Capital increase:                                    | Per month                    | - €         | - €         | - €         | - €         | - €         | - €         | - €         | - €         | - €          | - €          | - €          | - €          | - €              |              |
| Running costs  | Per month                    | € 130,000   | € 130,000   | € 133,000   | € 133,000   | € 133,000   | € 140,000   | € 140,000   | € 140,000   | € 140,000    | € 140,000    | € 140,000    | € 140,000    | € 1,639,000      |              |
| Profit/Loss  | Per month                    | € 753,303   | € 871,634   | € 1,048,300 | € 1,225,230 | € 1,443,373 | € 1,709,258 | € 2,055,531 | € 2,500,970 | € 3,081,308  | € 3,846,175  | € 4,864,624  | € 6,232,851  | € 29,632,558     |              |

## Financials



### Financial overview 2019

In the 2019 financial year, GERMANTOM has registered a solid customer base in each launch category. Despite higher running costs, there are now monthly profits. The aim is to generate over € 100 million in sales in the 2019 financial year and achieve profits amounting to around € 29 million.





## Financials

### Summary

At the end of the 2019 financial year, GERMANTOM is calculating an annual profit before tax of around € 29,000,000. Finances have been planned conservatively with only four different product categories in five countries. EMG receives 50% of GERMANTOM's profits, generating an EBIT of around € 14,500,000.

The financial planning has not taken into account the fact that a further 100 products are in some cases undergoing final negotiations, and could therefore considerably improve financial prospects in the business years of 2018 and 2019. Likewise, by the end of 2019, further countries are to be reached, and new products will be introduced onto the markets. For subsequent years, we are working on the basis that there will be a considerable growth in business activities.

Further products to be introduced onto markets as of 2018, which have not yet been taken into account in the financial planning, are sourced from the following suppliers:

- ✓ Cobicos GmbH - (Natural) cosmetics
- ✓ COSCOON COSMETICS - (Natural) cosmetics
- ✓ Leinfelder Uhren München GmbH & Co KG - Watches and jewelry
- ✓ Harold's Lederwaren GmbH - Leather bags
- ✓ Peter Riegel Weinimport GmbH - Wine, sparkling wine and spirits
- ✓ PICARD Lederwaren GmbH & Co. KG - Bags and leather goods
- ✓ Ravensburger AG - Toys
- ✓ Steiff Retail GmbH - Toys
- ✓ THOMAS SABO GmbH & Co. KG - Watches and jewelry Zwiesel
- ✓ Kristallglas AG - Household goods
- ✓ Alavi Natural Cosmetics - Natural cosmetics
- ✓ Christof Beck Spielwaren GmbH - Toys
- ✓ Henkell & Co. Sektkellerei KG - Wine, sparkling wine and spirits
- ✓ Lilienthal Lifestyle GmbH - Watches and jewelry
- ✓ MORAVAN Warenhandelsgesellschaft mbH - (Natural) cosmetics (wholesaler)
- ✓ Stratic Lederwaren Jacob Bonifer GmbH - Bags and leather goods
- ✓ ZWILLING J.A. Henckels AG - Household goods
- ✓ Braun Büffel GmbH & Co.KG - Leather bags
- ✓ Dr. Babor GmbH & Co.KG - Cosmetics
- ✓ Lange & Söhne GmbH - Watches

HEY THERE!

OUR TEAM

## Our team

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### The masterminds behind GERMANTOM

#### **Harald M. Wayer**

CEO GERMANTOM International GmbH



Entrepreneur, business angel, and promoter of commerce.

Harald M. Wayer is the founder and CEO of GERMANTOM.

Born in 1959, Mr Wayer has enjoyed an entrepreneurial career spanning thirty years. Over the course of his career, Harald M. Wayer has turned numerous companies into market leaders in their sectors. He has transformed countless ideas into reality and built up medium-sized businesses employing up to 120 people with turnovers of € 57 million. His many years of experience as a business consultant have stood him in excellent stead here.

Harald M. Wayer is a master when it comes to realigning companies, setting them on course for success, pursuing strategic goals and turning ideas into triumphs.

#### **Manyan Ng**

CMO GERMANTOM International GmbH / GF Epoch Times Deutschland



Manyan Ng is a member of the GERMANTOM executive board, and, incidentally, CEO of Epoch Times Europe GmbH. Born in Hong Kong, Manyan grew up in many different corners of the world and now lives in Germany. Manyan speaks four languages in addition to his native Cantonese: Swedish, German, English and Mandarin. As Marketing and Sales Manager at ABB Network Control, he was responsible for the global market. He specializes in international marketing, procurement management, strategic planning and business development. Manyan is also a board member of the International Society for Human Rights. Manyan Ng has global links to marketing experts, executives, NGOs and corporations.

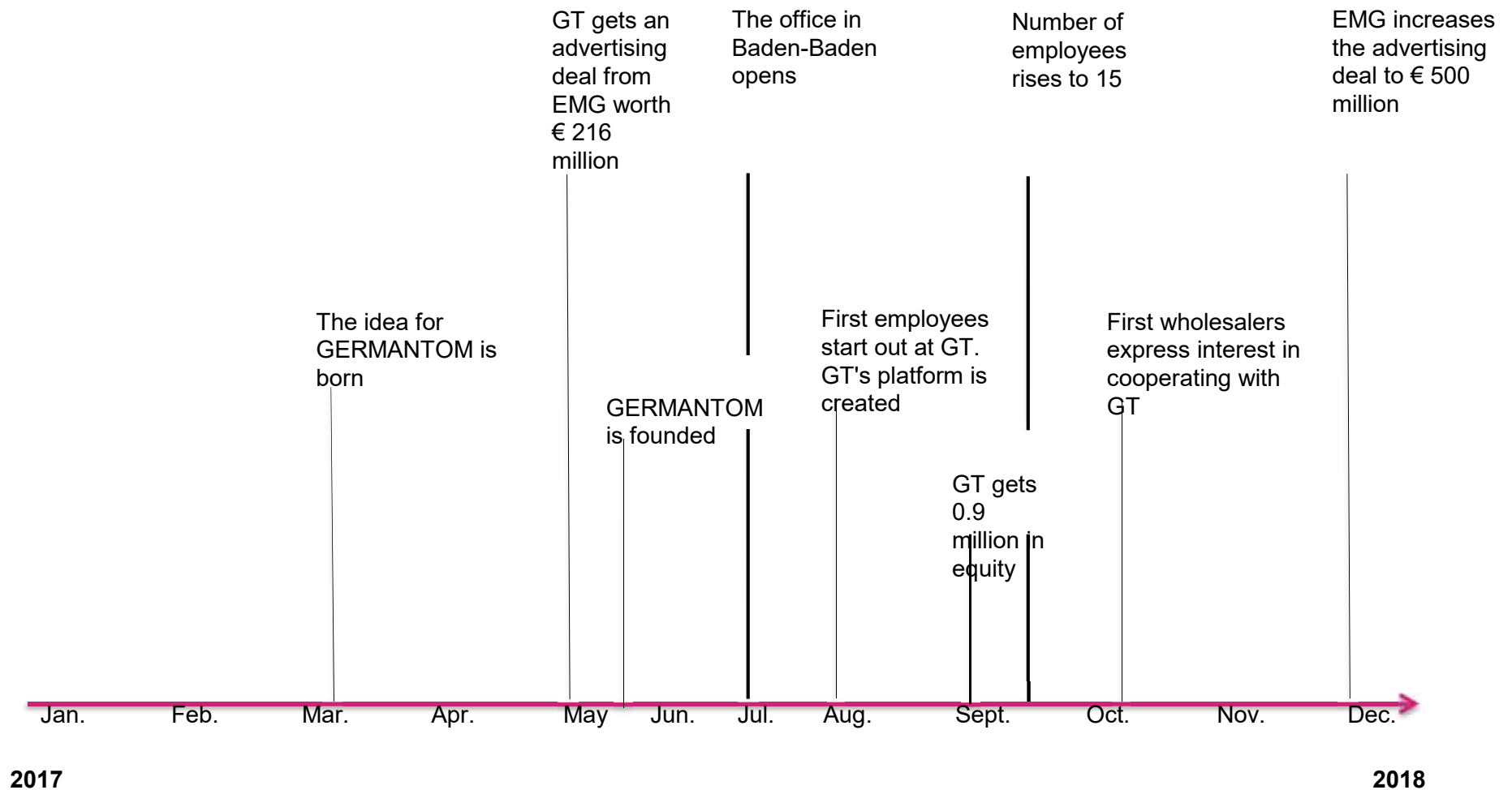
OUR EFFORTS



OUR SUCCESSES

## Our successes

### GERMANTOM milestones



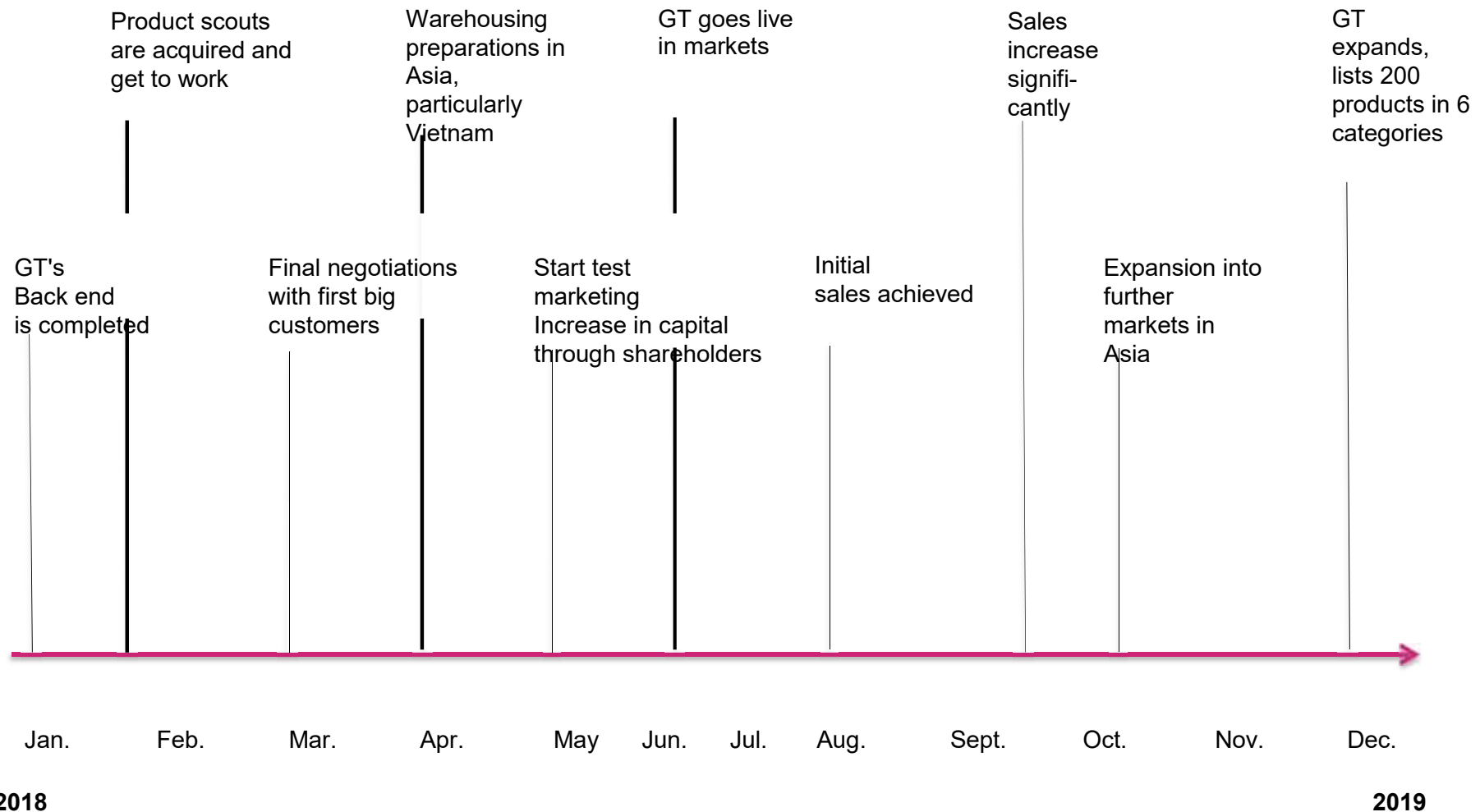


NEXT STEPS

ACTION PLAN

## Our successes

## Our goals in 2018



## Regulatory information

### Address & contact details

GERMANTOM International GmbH  
Stolzenbergstraße 13  
76532 Baden-Baden

#### **Represented by:**

Mr Harald Martin Wayer

#### **Contact:**

Phone: +49 (0) 7221 920 40 0  
Fax: +49 (0) 7221 920 40 10  
Email: [info@germantom.com](mailto:info@germantom.com)

#### Register entry:

Registered on the commercial register.  
Register court: district court of Mannheim

Register number: HRB 3519987

Sales tax identification number as per Section 27 a of the Value  
Added Tax Law:  
DE 813777057

### Regulatory information:

This document is the property of GERMANTOM International GmbH and intended for internal purposes only. The content of this document must be handled in the strictest confidence.

All facts and figures stated in this document have been produced to the best of our knowledge and ability. There can be no guarantee when estimates and market expectations are used. Investors are advised to check these figures for current validity or variance.

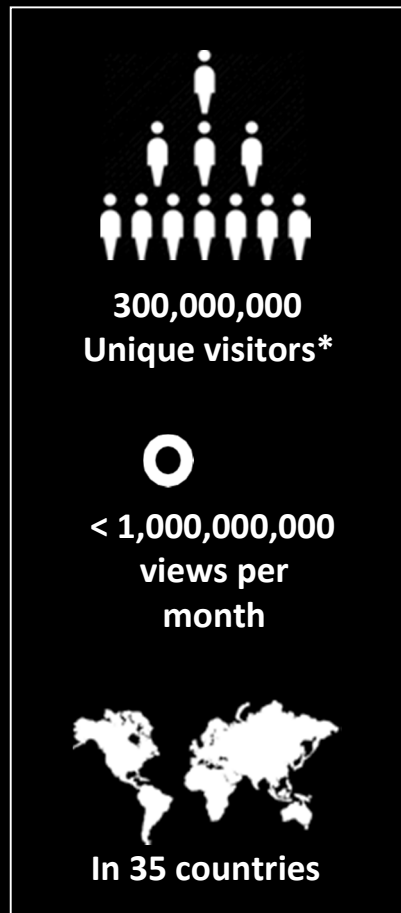
Every investment entails the risk of total loss. If you have no previous experience of shares, share dealing or derivatives, you should refrain from a possible investment in GERMANTOM International GmbH.

Despite the best preconditions, GERMANTOM cannot guarantee that your investment will be a success.

# Appendix

## Facts and figures at a glance

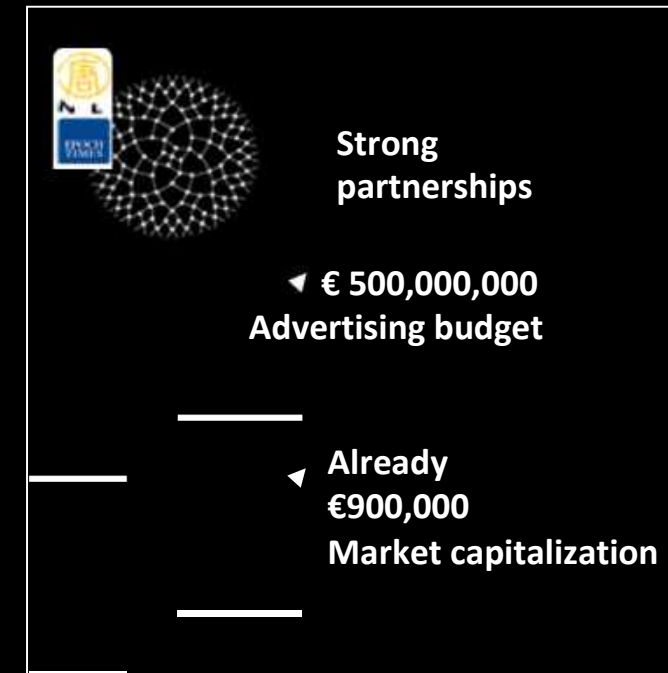
### Target group



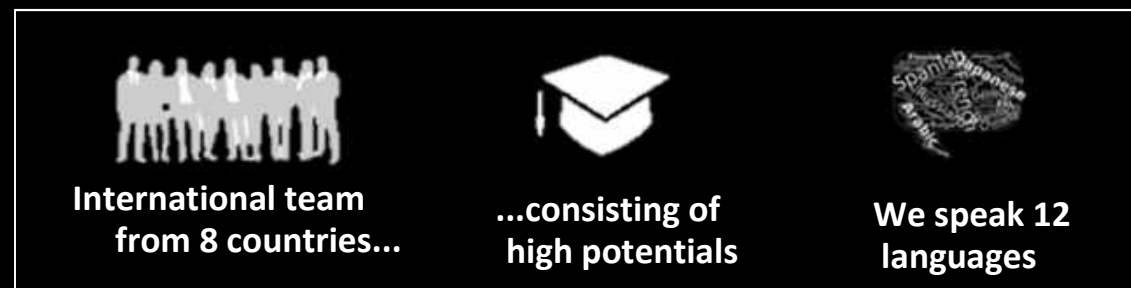
### Market size



### Assets



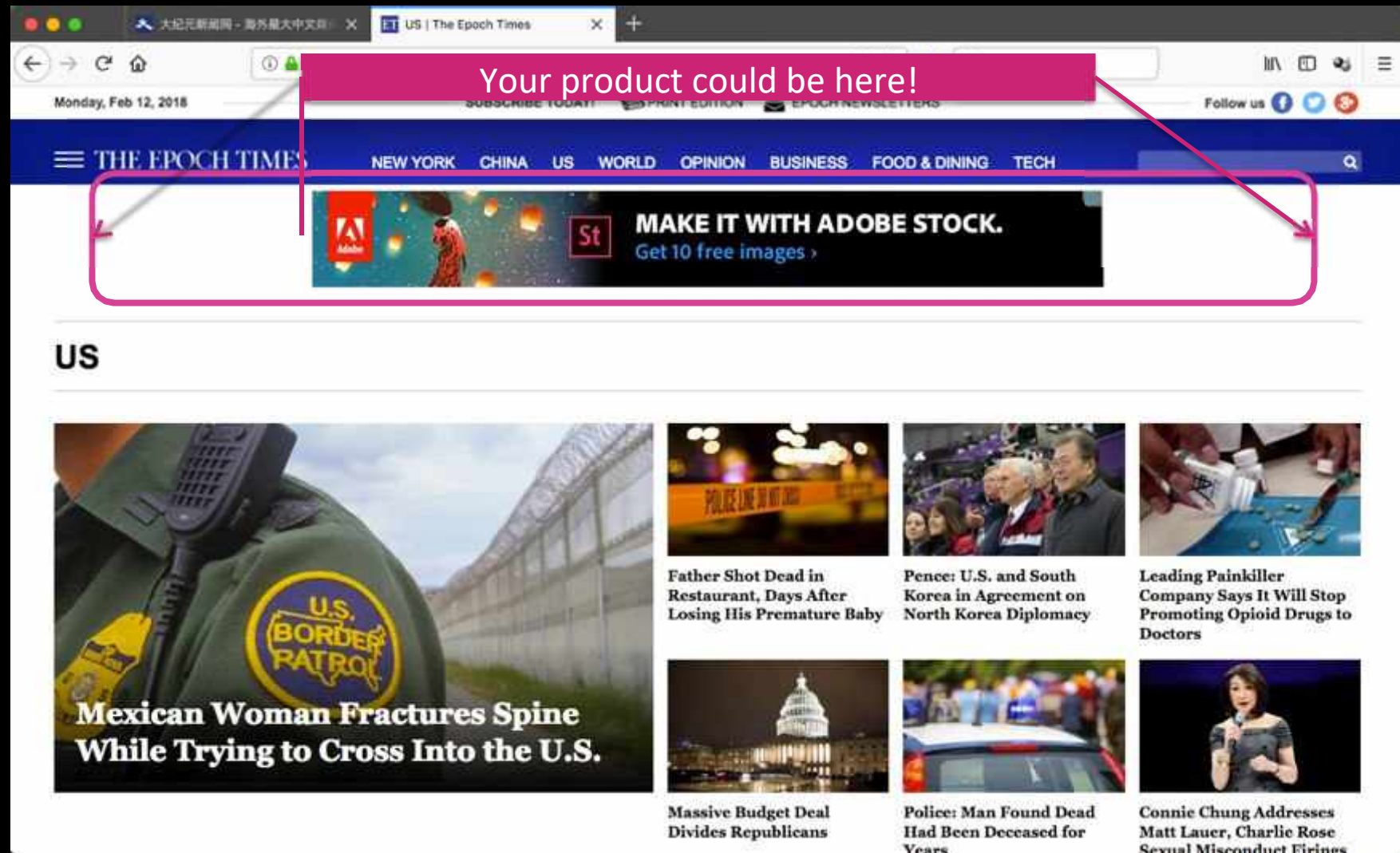
### Team



\* Source: Media data homepage Epoch Media Group as of 4/17

## Appendix - Advertising examples

Title page of the Epoch Times English – up to 120 million visitors globally





## Appendix - Advertising examples

Title page of the Epoch Times Germany – up to six million visitors

The image shows a screenshot of the Epoch Times Germany website. A pink rectangular callout box with the text "Your product could be here!" is overlaid on the page. The callout box has two arrows pointing to a large advertisement for "MeinAuto.de". The advertisement features three cars (Audi, Citroën, and Skoda) and the text "Bis zu 39% Rabatt sichern" and "Neuwagen zu Internet-Preisen". Below the cars is a button that says "jetzt konfigurieren »". The website header includes the "EPOCH TIMES" logo and a navigation menu with categories like "HOME", "DEUTSCHLAND", "EUROPA", "WELT", "CHINA", "WIRTSCHAFT", "UMWELT", "GESUNDHEIT", "FRIULETON", "SPORT", "WISSEN", "LIFESTYLE", "BLAU LICHT", and "GEMAL". The browser's address bar shows "Epoch Times - Online Nachrichten".

MeinAuto.de

Bis zu 39% Rabatt sichern

Neuwagen zu Internet-Preisen

jetzt konfigurieren »

Shen Yun 2018  
Exklusiv

Deutsche  
9.-11.

TICKETS

S P E Z I A L

## Appendix - Advertising examples

Title page of NTD Global – up to 120 million visitors worldwide

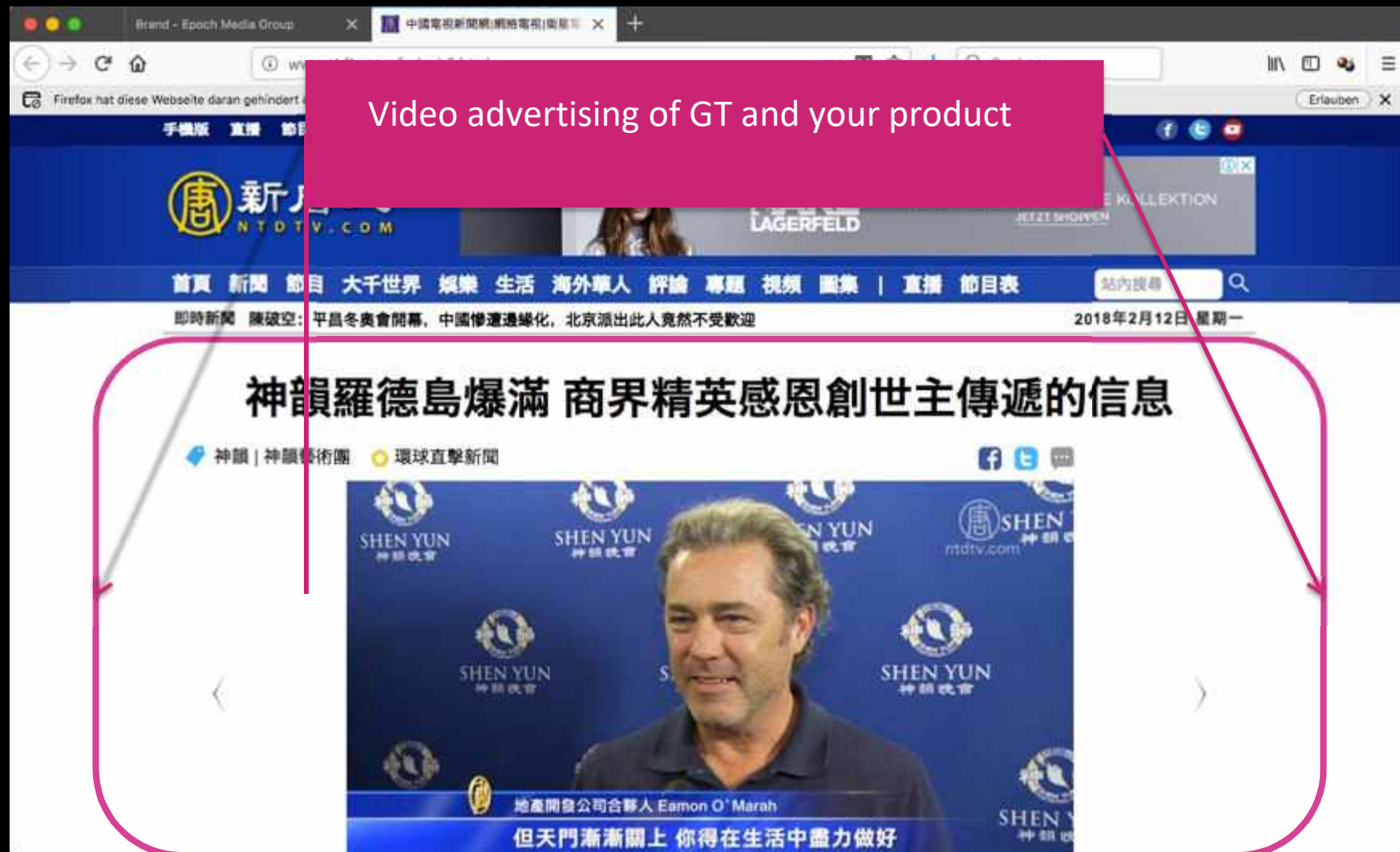
The screenshot shows the NTD Television website (www.ntd.tv) with several annotations for advertising placement:

- Top Banner:** A pink box with the text "Your product could be here!" points to the top banner area, which currently displays a "SHEN YUN 2018" advertisement with a "Buy Tickets" button.
- Press Article:** A pink box with the text "Or here as a press article or video!" points to a news article titled "Pence: U.S. and South Korea in Agreement on North Korea Diplomacy".
- Editors' Picks:** A pink box points to the "EDITORS' PICKS" section, which features a video thumbnail of two people.

The website layout includes a navigation bar with the NTD logo, language options (English, 中文), and social media links. The main content area is divided into sections for "TOP STORIES" and "LATEST NEWS".

## Appendix - Advertising examples

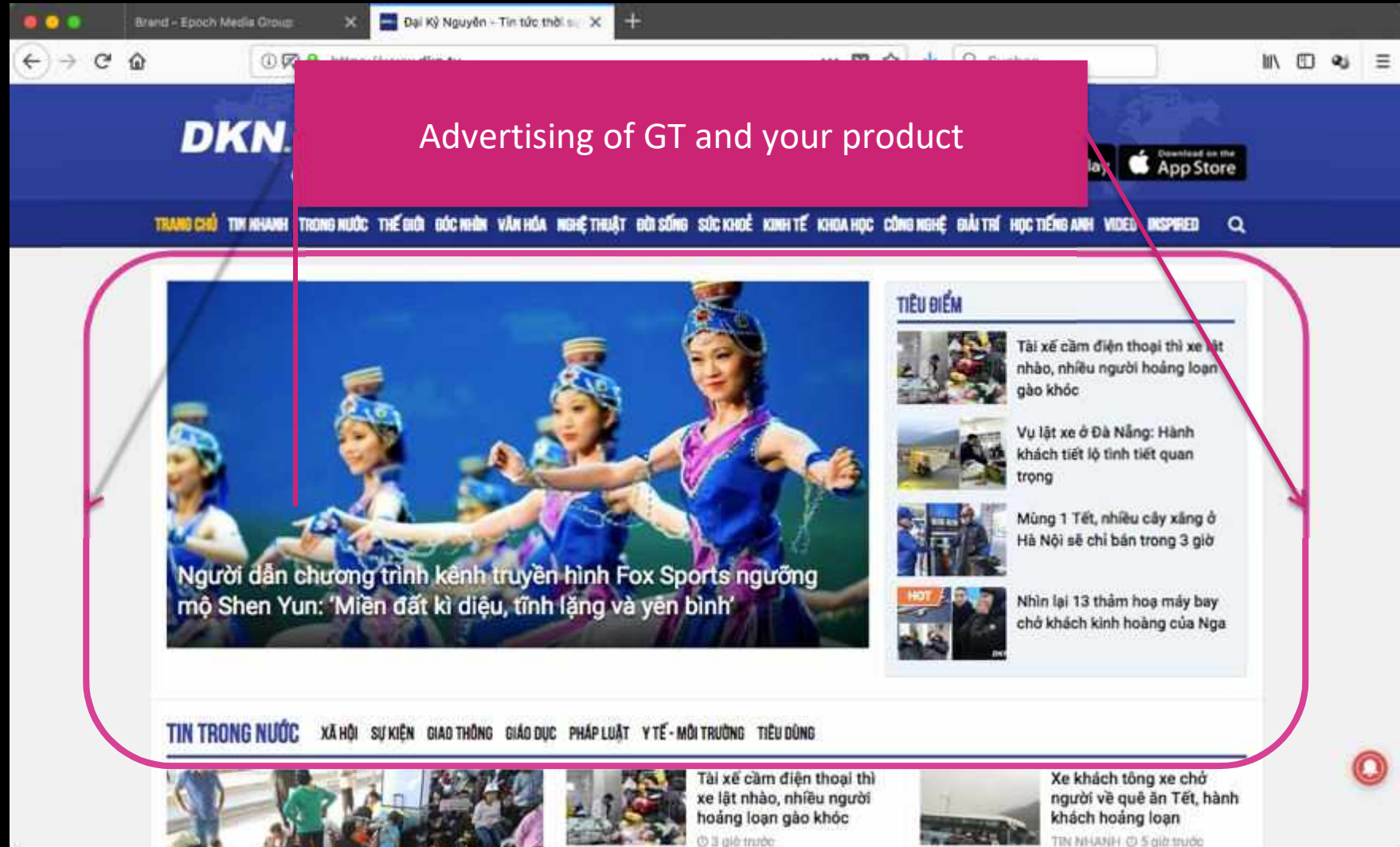
Title page of NTDTV digital and video – up to 110 million audience members





## Appendix - Advertising examples

Title page of the DKN – Vietnam's third-largest online paper



(\*\*) Translator's note: Please refer to the original document for the correct figures.

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End of translation

As a sworn translator for the English language appointed by the president of the Dresden Higher Regional Court I certify: The above translation of the document submitted as a PDF file and written in German is right and complete.

Großschirma, 25 October 2019

